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Bonn Outlines Economic Plan

Compiled by Our Staff From Dispatches

BONN — Reaction to West Germany's plan to boost economic growth was muted Wednesday, but the business and banking community welcomed the measures as a sign that the government was at least acknowledging the need to take action.

The government announced a plan to offer low-rate loans to local authorities and small businesses, but most analysts expressed doubts that the measures would have a pronounced effect on economic growth.

Signs were also mixed as to whether the Bundesbank, West Germany's central bank, would follow the announcement of the plan with a cut in its main lending rate, the discount rate, when its policy-making council meets Thursday. (Page 15.)

The government's program to make 21 billion Deutsche marks ($12.7 billion) available for capital spending at below-market interest rates in the next three years was formally approved Wednesday by the cabinet and was announced by the minister of finance, Gerhard Stoltenberg, and the minister of economics, Martin Bangemann.

As expected, the centerpiece of the plan presented by Mr. Stoltenberg and Mr. Bangemann was to cut interest rates and expand the credit available through Kreditanstalt für Wiederaufbau, a government-owned reconstruction corporation set up after World War II that provides loans to local authorities and small businesses.

The plan calls for 15 billion DM to be made available to local authorities at discounted rates for new building and environmental projects and for 6 billion DM to be offered to small and medium-size businesses at KfW's normal rates, which are below market rates.

The low-interest loans will cost the federal government an average 200 million DM a year, the government said.

The government said further that the Federal Post Office, the country's biggest employer, would increase its investment program by 1.5 billion DM next year, for a total of almost 20 billion DM.

It also reported plans to go ahead next year with a planned series of privatizations, including the sale of its shares in Volkswagen AG, in a bank, and in VIAG AG, the chemicals and energy group. The government had originally planned to sell its remaining stake in VW this year but postponed the move because of the collapse of world stock prices in October.

A statement said the government would also consider steps early next year to liberalize its telecommunications market and to loosen the tight regulations governing shopping hours.

Friedhelm Ost, the chief government spokesman, said that Bonn intended the package as a sign to reassure troubled financial markets. He also called on other European countries to take action when they meet in a European Community summit meeting this week in Copenhagen.

"A signal of confidence must emerge from Copenhagen, especially in the light of economic developments and recent events on the currency markets and stock exchanges," he said.

Many analysts say they believe the government timed the announcement of the plan at least in part to coincide with the Copenhagen summit, some of whose participants have pressured Bonn to take steps to stimulate its economy and to help offset the United States' struggle with its swollen budget deficit.

Among West German analysts

See BONN, Page 15

CAMBODIAN RIVALS — Prince Norodom Sihanouk, the Cambodian resistance leader, left, greeting Prime Minister Hun Sen, who heads the government, before talks Wednesday in Fere-en-Tardenois, France. Page 2.

Reagan Charges A New Violation By Soviets of 1972 ABM Pact

By R. Jeffrey Smith and Don Oberdorfer
Washington Post Service

WASHINGTON — Six days before his summit meeting with Mikhail S. Gorbachev, President Ronald Reagan charged the Soviet Union on Wednesday with a new violation of the Anti-Ballistic Missile Treaty of 1972.

The alleged violation, reported to Congress on Wednesday in the administration's annual report on Soviet compliance with arms control measures, involves several old radars the Soviets moved to new locations this year. The ABM treaty requires that they remain at a designated ABM "test range."

Meanwhile, the White House spokesman, Marlin Fitzwater, was pressed to explain a tough tone in Mr. Reagan's recent speeches. He said it was not new but appropriate to "a summit between old enemies."

"The speeches that the president has made and his comments concerning arms control and dealing with the Soviets is entirely devised to set a climate that we think is appropriate for the summit," Mr. Fitzwater said.

Mr. Reagan made his decision to charge the ABM violation on Monday after hearing from arms control and military advisers, some of whom argued that the Soviet action was ambiguous, had little military significance, and needed further investigation before any conclusions could be reached, U.S. officials said Tuesday.

These advisers, including State Department representatives, pointed out that the Soviets had invited the United States in October to inspect one of the radars and argued that it was premature to charge the Soviets with a treaty violation while the offer is pending.

[Mr. Reagan was asked Wednesday by reporters how he could persuade the Senate to ratify the missile agreement at the same time he is accusing the Soviets of violating the ABM treaty. "I'd say a certain amount of inconsistency is justified," he replied, United Press International reported.]

The U.S. officials said the "violation" claim was initially pressed by the Defense Department and vigorously opposed by the State Department. The government's Arms Control and Disarmament Agency took the intermediate position that the radar redeployments were a "probable violation" but that further investigation was needed before making a firm allegation.

Some officials also argued that release of the annual compliance report should be delayed until after the summit meeting. But conservatives in Congress, unhappy with the summit meeting and the impending treaty on intermediate-range nuclear forces, pressed the White House

See ABM, Page 4

Moscow Accuses U.S. Of Holding Up Treaty

The Associated Press

GENEVA — The Soviet Union charged Wednesday that the United States was hampering completion of the proposed treaty banning intermediate-range nuclear forces, which is to be signed at the summit meeting in Washington next week.

A statement from the Soviet delegation to the Geneva arms talks said the United States had not yet provided all the necessary data on the locations of second stages of its Pershing-2 missiles or on sites for eliminating its missiles. The statement warned that the data are "indispensable" to a final treaty.

Soviet Effort to Fragment West Is Foreseen

By Joseph Fitchett
International Herald Tribune

BRUSSELS — U.S. and European experts believe that Mikhail S. Gorbachev might make spectacular offers at the U.S.-Soviet summit meeting in Washington next week and in succeeding months to sow disarray in the West.

The experts said that such initiatives might include unilateral withdrawal of some Soviet armored forces in Eastern Europe.

These sources were generally agreed that Mr. Gorbachev's conciliatory moves often were aimed, indirectly, at an overriding objective — removing more U.S. nuclear arms from Western Europe.

His tactics are likely to combine some real concessions in curbing Soviet military power with proposals carrying hidden costs for the West, according to the experts, who mentioned possible Soviet gestures in three main areas:

- Arms cuts, including nuclear reductions, and also withdrawals of Soviet conventional forces in Eastern Europe.
- Soviet steps to withdraw from Afghanistan.
- Human-rights liberalization in the Soviet Union.

At the Washington summit meeting, to sign the treaty eliminating intermediate-range nuclear missiles, Mr. Gorbachev is expected to concentrate on the next planned disarmament step — halving the superpowers' arsenals of intercontinental missiles.

"It's what European members of the alliance have in mind as the next step," said Lord Carrington, secretary-general of the North Atlantic Treaty Organization, but he warned against letting such an agreement fuel anti-nuclear momentum in Western Europe.

"What worries me is the temptation to be inventive at summits," said Valéry Giscard d'Estaing, former president of France. He, like many of the experts, worries that President Ronald Reagan could be lured into a joint statement calling for the eventual elimination of all nuclear weapons.

France and Britain, Europe's two nuclear powers, are trying to prevent any increase in calls — which have started in West Germany — for cutting in Europe such U.S. battlefield weapons as nuclear artillery shells.

Other experts predict that Mr. Gorbachev will drop Soviet linkage between strategic arms cuts and a halt to the Strategic Defense Initiative, the planned U.S. space-based missile defenses.

Mr. Gorbachev might insist simply that the United States adhere to the so-called narrow interpretation of the Anti-Ballistic Missile Treaty, which would prevent testing of SDI, according to Richard N. Perle, a former U.S. assistant secretary of defense.

Mr. Reagan has pledged to protect SDI, but Mr. Gorbachev's offer could intensify anti-nuclear feeling in Western Europe.

Pressure against the presence of U.S. nuclear bombers in Europe could be amplified if Mr. Gorbachev sought their removal in exchange for cuts in Warsaw Pact tanks, said Zbigniew Brzezinski, who was President Jimmy Carter's national security adviser.

Mr. Perle predicted that Mr. Gorbachev will soon offer to withdraw unilaterally as much as 20 percent of Soviet forces in Eastern Europe. "By removing the least efficient units, he would rationalize the Soviet presence and encourage calls for NATO cuts," he said.

West Germany, where most of NATO's nuclear arms and troops are concentrated, seems to be the main indirect target of Mr. Gorbachev's diplomacy. While in Washington, Mr. Gorbachev "doesn't have to talk directly about getting West Germany to remove battlefield nuclear weapons," a British official said. "He can count on West Germans themselves to campaign for it if U.S.-Soviet relations seem to be progressing."

Several experts said that they expect the Soviet leader to make a "German initiative" through East Germany, whose diplomacy is widely interpreted as relaying Soviet policy.

To arouse West German interest in improved East-West relations, Mr. Gorbachev can offer an array of East German measures, ranging from concessions on the status of West Berlin to freer emigration for more ethnic Germans from Eastern Europe.

"The big thing, reunification of a neutralized Germany, is something that no Soviet leader is going to offer," said Dr. Josef Joffe, foreign editor of the Süddeutsche Zeitung newspaper in Munich. "But blandishments of other concessions can be the name of the game for a decade and more," he said.

Echoing the concern about the how deeply the recent debates over nuclear weapons have colored public opinion in West Germany, Mr. Giscard d'Estaing said that Chancellor Helmut Kohl's government seemed to be gauging determination in resisting calls by Foreign Minister Hans-Dietrich Genscher, for more cuts in nuclear arms in Western Europe.

Campaigns for Western disarmament will gain powerful momentum, experts agreed, if Soviet troops withdraw from Afghanistan.

That war is the best reminder of Europe's need to maintain nuclear deterrence even in an era of comparatively benign Soviet leadership, Karl Kaiser, a leading West German policy specialist, said recently.

There have been hints that Mr. Gorbachev might announce a phased Soviet withdrawal. While most U.S. experts are skeptical, Olivier Roy, a French expert, said that the collapse of the pro-Soviet regime would still enable the Soviet Union to protect its interests by covertly arming rival factions and keeping the country in civil war.

Hungry Kremlinologists Find Bounty in Glasnost

By David Remnick
Washington Post Service

WASHINGTON — Like a sports statistics junkie clutching the new spring issue of "The Baseball Abstract," Murray Feshbach during *glasnost* is a middle-aged man in data heaven.

An expert on economics and social issues in the Soviet Union, Mr. Feshbach is overwhelmed with material he has been waiting "forever" to get. His shelves at the Kennedy School of Ethics here are suddenly crammed with the bounty of Moscow's new policy of openness — "quality" reports on everything from alcoholism to economic performance to the rate of measles.

"What am I supposed to do with it all?" he says. "Store it in the ceiling?" But he is smiling, not complaining. "It's a different world," he says.

For Mr. Feshbach, the contrast to the Stalin and Brezhnev years is dramatic. In the mid-1970s, for instance, the Soviet statistics office abruptly stopped publishing figures on the rate of infant mortality, a barometer of the overall state of health.

Mr. Feshbach worked for years "massaging the figures," looking for clues, and in 1980 he wrote that the infant mortality rate in the Soviet Union had increased nearly 50 percent between 1971 and 1978, an ominous sign for an industrialized nation.

Officially, the Soviets branded Mr. Feshbach a "bourgeois demographer."

Now the Soviets are releasing

See GLASNOST, Page 4

Kiosk

Israeli Soldiers Cited for Laxity

JERUSALEM (WP) — General Dan Shomron, chief of staff of the Israeli Army, announced disciplinary action Wednesday against three officers and another soldier after last week's raid by a lone Palestinian commando who killed six Israeli soldiers.

The operations officer of the infantry brigade that was attacked, who allegedly failed to put the camp on full alert, has been dismissed from the army, according to military officials.

The brigade commander will be transferred, and a platoon commander involved in camp security was reprimanded. A soldier who fled his guardpost when the guerrilla threw a grenade will face a court-martial.

AP

Defense Secretary Frank Carlucci warned NATO on U.S. outlays Wednesday. Page 5.

GENERAL NEWS

- The South Korean president said evidence was growing that North Korea had sabotaged a Korean Air jet. Page 2.
- An Australian reporter may be expelled from the Philippines for a critical story. Page 2.
- The Irish prime minister, Charles J. Haughey, has moved against the IRA. Page 5.

BUSINESS/FINANCE

- U.S. home sales fell 1.5 percent in October, the government reported. Page 11.

Dow close: UP 6.63

The dollar in New York:

DM	£	Yen	FF
1.646	1.82	132.45	5.593

Will Taglish Ever Replace English? In Manila, There's Plenty of Choice

By Seth Mydans
New York Times Service

MANILA — Back in high school, Ponziano Pineda was a dutiful boy who spoke only English. In fact, he was a monitor who fined his fellow students if he caught them speaking their indigenous language.

Today, in keeping with changing times, Mr. Pineda, a linguist, avoids English and is deep in a national debate over just how to replace it as a common tongue bridging the many languages of the Philippines.

The downgrading of English, which Mr. Pineda says is spoken to some degree by perhaps 35 percent of the population, is part of an emerging sense of nationalism.

But the debate over the form of its replacement is a sign of continuing uncertainty about just what this national identity should be, four decades after gaining independence from the United States.

A new constitution adopted this year states that the national language is something called Filipino. But there are emotional divisions, along regional and philosophical lines, over what language this is.

At the same time, many Filipinos have expressed concern about the decline of English as an international tool in a country that claims to be the world's third-largest English-speaking nation.

As other Asian nations move ahead economically, they say, facility in English is one of the Philippines' major assets in commerce and tourism.

These concerns, often voiced during the presidency of Ferdinand E. Marcos, seem to have lost ground to the nationalist arguments of men like Mr. Pineda, who said: "It's not a native language. That's it."

Nicanor Tiongson, artistic director of the Cultural Center of the Philippines, sees English as having harmed his nation by cutting its educated classes off from most of their countrymen.

"English has created a cleavage between the intelligentsia and the masses," Mr. Tiongson said. "The two classes do not speak the same language, and the ideas of the educated elite do not filter down."

The most widely used of the local tongues is Tagalog, the language of central Luzon Island, which is spoken by about 23 percent of the population.

It forms the basis of something called Pilipino, a widely used amalgam incorporating many Spanish and English words acquired from successive colonizers.

Mr. Pineda says the national language, Filipino, can only be Pilipino, a living language that is generally understood throughout much of the country and that adapts itself readily to local usages.

Mr. Tiongson, a former head of the department of Filipino languages at the University of the Philippines, said Pilipino is, more precisely, the language of Manila and has spread through its dominance of movies, television and comic books, the nation's most widely read literature.

At its furthest extension, Tagalog-based Pilipino degenerates into Taglish, a slang form in which English words and grammatical constructions dominate.

Taglish, popular on television variety shows, is almost universally condemned by scholars and was banned this year from use in schools.

The Philippines, a scattered nation of 7,000 islands, is home to 84, or 93, or more than 100 Malayo-Polynesian languages, depending on how linguists count them.

In the age of Spanish domination (1564-1898), the Spanish language was the medium of government.

Over the years, many Spanish words were absorbed into the local languages, and many Filipinos today have Spanish names, although few can now speak the language.

When the Philippines became an American colony at the turn of the century, American missionaries brought over the English language in a gigantic educational program.

"Here was America, all the glory, all the hopes," said Mr. Pineda. "Everyone started memorizing 'Hiawatha.' My father used to recite that."

But attitudes have changed, and in schools like the one Mr. Pineda attended, the use of English has in recent years been restricted to the teaching of science and mathematics.

The New York Times

In Manila, a mother looks through comic books.

Doing 'the DB' Helps D.C. Go Round

By Barbara Gamarekian
New York Times Service

WASHINGTON — Washingtonians have a way of dealing with invitations to parties they know will be either a crush of warm bodies or a crashing bore.

It is known as "the DB," the drop-by. Seasoned Washington hands are masters of it — in the front door, a shake of the hand, a quick circle of the room and out the door again.

It is a fail-safe maneuver for the appearance that many feel they must make for business or political reasons or diplomatic courtesy. The drop-by can also serve to assure that one's social profile does not dip too low. This is important because a wave and a smile across a crowded room to the right person can propel one onto another, perhaps more appealing, guest list.

For couples like Attorney General Edwin Meese 3d and his wife, Ursula, who often find they have several commitments for the same evening, it can be a lifesaver. Mrs. Meese says the only way their schedule can be managed is with the help of the DB.

Among the events that many people would prefer to skip but often feel obliged to attend are the National Day celebrations at many of the 150 foreign embassies situated here. On such occasions the surrounding streets are immobilized with limousines and a winding line of guests waiting to go through the receiving line often stretches around the block.

"Hello. I'm Ed Tatum. I only show up at these affairs in order to make an appearance. Now that I've made an appearance, I'll say goodbye."

Drawing by Ed Arno © 1986 The New Yorker Magazine Inc.

One evening at the Saudi Arabian Chancery, a departing guest confided to a friend who was standing in line: "If I told all these people there was no booze inside, half of them would scream." Unknown to those patiently waiting folks, the Saudi ambassador, Prince Bandar bin Sultan, had decided, unlike his predecessor, not to serve liquor at diplomatic functions.

Jayne Ikard, a Washington hostess who has paid her dues on such tedious stakeouts, said she decided long ago not to attend National Day parties unless the ambassador was a close friend. And she prefers to grant State Department officials most of the responsibility for the capital's social and diplomatic obligations.

Fred Dutton, a local attorney, warned against getting trapped on boat parties, as he and a longtime friend, Dick Tuck, did on a mule-hauled barge on the Chesapeake & Ohio Canal a number of years ago.

"It was two hours up and two hours back," Mr. Dutton dolefully recalled. When the barge drew close to an embankment, he and Mr. Tuck quietly jumped ship, made their way through the Maryland countryside and thumbed their way back to town.

But, afloat or aground, some parties are hard to predict.

"I always know I am at the wrong Washington party," said Gretchen Poston, the former White House social secretary, "when I discover I know more waiters than I do guests."

U.S. Hopefuls Take Pokes in Major Debate

By David Hoffman and Paul Taylor
Washington Post Service

WASHINGTON — Against the backdrop of the U.S.-Soviet summit meeting next week, Republican presidential contenders are sparring among themselves over the prospective treaty to eliminate medium- and shorter-range missiles while the Democrats have turned against each other over budget deficits and taxes.

In the first major television debate of the presidential campaign, the upcoming meeting between President Ronald Reagan and Mikhail S. Gorbachev, the Soviet leader, and the arms-control deal they plan to sign touched off vigorous disagreement between the Republicans who hope to succeed Mr. Reagan as president. Only Vice President George Bush supported the treaty.

At the same time, six Democrats found themselves in the position of supporting Mr. Reagan on the arms control treaty and criticizing candidates of the president's party for their failure to back him. But the Democrats turned their fire on each other over the question of how to repair the huge federal deficits of the Reagan years. Senator Paul Simon of Illinois faced strong criticism from his rivals for defending an array of new government spending programs.

The two-hour debate was the first time the full field of candidates in both parties shared the same stage. While the format did not allow for face-to-face confrontations across party lines, the contenders went out of their way to aim barbs at the other party.

One of the more dramatic moments of the evening occurred when Alexander M. Haig Jr., the former secretary of state and a Re-

See DEBATE, Page 4

Chun Sees North Korea Role in Jet Crash

By Fred Hiatt
Washington Post Service

SEOUL — President Chun Doo Hwan of South Korea said Wednesday that evidence was growing that North Korea planned the sabotage of a Korean Air jet that apparently crashed in Burma Sunday.

The Korean Air jet disappeared while flying from the Middle East to Bangkok. South Korean officials now believe that the plane was destroyed in midair by a bomb, killing all 115 people aboard.

Mr. Chun said Wednesday that preliminary Japanese investigations appear to tie North Korea to a still unidentified Asian couple that traveled on the jet on the first leg of its flight and then swallowed *suicide pills when questioned* by police.

"It is a plain fact that North Korea has intensified its provocative moves to obstruct the Seoul Olympics and the upcoming presidential election," Mr. Chun said. The country's first direct presidential election in 16 years is set for Dec. 16.

The 1988 Olympics are scheduled to take place in Seoul next September, but North Korea is trying to have some of the games moved to Pyongyang, the North Korean capital.

Many people here said that the bizarre and tragic end of flight 858 is likely to help Roh Tae Woo, the ruling Democratic Justice Party candidate, in the election if North Korean sabotage is confirmed. In his campaign, Mr. Rho, who has Mr. Chun's backing, has emphasized the importance of stability and continuity to contain North Korean aggression.

A spokesman for the ruling party, Lee Min Sup, issued a statement saying the incident should serve as a warning to political leaders "who do not hesitate to make such remarks as will harm the security posture of the nation."

Evidence of North Korean involvement remained tenuous and *circumstantial Wednesday night.* Wreckage of the jet, believed to lie in jungle near the Burma-Thailand border, has not been found and the cause of the apparent crash remained speculative. Earlier reports that the downed plane had been spotted proved false.

The Japanese police, meanwhile, disclosed new details that appeared to link the two mysterious Asian passengers to a Korean resident of Japan who was involved in a North Korean spy ring several years ago and has been missing since. Officials said that the Asian couple, traveling as father and daughter on forged Japanese passports, would have had an opportunity to plant a bomb on the jet as it traveled from Baghdad to Abu Dhabi, where they left the plane.

The "father" was traveling under a passport in the name of Shinichi Hachiya. When questioned about the incident Tuesday in Bahrain, the man swallowed a poison pill and died four hours later.

The police believe that the man's true identity may be Akira Miyamoto, an acquaintance of the real Mr. Hachiya, who is still living in Tokyo. The real Mr. Hachiya told the Japanese police that Mr. Miyamoto borrowed his identity papers and personal seal in 1983 and his *passport in 1984. He could have* obtained a passport in Mr. Hachiya's name on one of those occasions.

Mr. Miyamoto, in turn, is a Korean native who was linked to a North Korean spy ring in 1985, the police said. The police found code books, disappearing ink and other signs of spy equipment in Mr. Miyamoto's apartment in March, 1985, but they have been unable to find him.

The young woman traveling with her "father," meanwhile, remained in a Bahrain hospital Wednesday and has not been questioned. She had traveled with a forged passport in the name of Mayumi Hachiya, and the police said they do not know her true identity.

[Officials waiting to interrogate *the woman at the Defense Force* Hospital in Bahrain said Wednesday that her condition had worsened and it had not been possible to question her, Reuters reported. "She is not in a position to talk," one said.

[The Japanese chargé d'affaires there, Takeo Natsume, said, "She was stable before but her condition was aggravated today. She is still critically ill." A Japanese source told Agence France-Presse earlier Wednesday that the woman had regained consciousness.]

North Korean media have not reported the plane crash, according to officials here.

The two Koreas have maintained a hostile truce since their civil war ended in 1953, but North Korea has launched sporadic and unpredictable attacks against the south during that time.

In 1983, four cabinet ministers and 13 other South Koreans were killed by a bomb in Burma. Burmese officials concluded that North Korean agents were to blame.

■ **Rebels' Help Asked**

Authorities searching for jet's wreckage asked Burmese rebels Wednesday to guide them through the jungles where it is believed to have crashed, United Press International reported from Kanchanaburi, in western Thailand.

Search parties have targeted their efforts in an area 6 miles (10 *kilometers) inside Burma near the* Thai border village of Bong Thi, 100 miles northwest of Bangkok. The police asked a local Karen rebel commander to guide rescue parties through the dense jungles where the rebels have been waging a guerrilla war against the Burmese government for nearly 40 years.

Bullit Marquez/The Associated Press

TOGETHER AGAIN — President Corazon C. Aquino of the Philippines leads Vice President Salvador H. Laurel down the steps Wednesday after meeting Cardinal Jaime L. Sin in Manila. It was the first Aquino-Laurel meeting since he resigned as foreign secretary.

Manila May Bar Australian Reporter For Criticism of Investment Climate

By Keith B. Richburg
Washington Post Service

MANILA — The government of President Corazon C. Aquino, in an unusual move against the press, has ordered an Australian journalist expelled from the Philippines for writing articles criticizing the country as a bad place for business investment.

The expulsion order against Michael Byrnes, correspondent of the Australian Financial Review, was considered startling because Mrs. Aquino campaigned for office on a pledge to restore press freedom and not to resort to the same heavy-handed methods of controlling the media as her predecessor, the deposed president Ferdinand E. Marcos.

Late on Wednesday, however, there was uncertainty within the government as to whether the order would actually be carried out.

The order for Mr. Byrnes's expulsion, from the immigration office here, was based on a telexed recommendation from the Philippine ambassador to Australia. The Byrnes article, published in the Nov. 26 issue of the review, said that Australian investors "should be more selective and informed, concentrating on the successful economies of the region and avoiding the lemons."

At one point in the article — a regionwide look at business conditions in Southeast Asia — Mr. Byrnes called the Philippines "a massive time-waster."

Philippine government officials said Mr. Byrnes' articles were "subversive" and aimed at discouraging Australian businesses from coming here.

Mr. Byrnes, who said he writes "realistic, straightforward" articles on the Philippines economic scene, in the past has been sharply critical of government corruption. In a Nov. 12 commentary, he called the Philippines one of the most corrupt countries in Asia.

Foreign Secretary Raul Manglapus last night upheld the expulsion order — overruling an earlier move by Press Secretary Teodoro Benigno to rescind it. But at the same time Mr. Manglapus invited Mr. Byrnes to appeal.

Mr. Byrnes, 39, said earlier that the move against him was "political" and he would leave the country Thursday. But after Mr. Manglapus's request, Mr. Byrnes formally appealed the expulsion order last night, according to CBS News correspondent Gabino Tabunar, who *is president of the Foreign Correspondents Club of the Philippines.*

The last journalist ordered expelled from the country was a correspondent for the Far Eastern Economic Review in 1977. Mr. Tabunar said he managed to work quietly with Marcos officials to get the order overturned on appeal. In 1979, Mr. Marcos barred the then-Manila bureau chief for the Associ*ated Press from re-entering the* country after leaving for a vacation in Hong Kong.

Since Mrs. Aquino came to power in February 1986, the Philippines has been widely considered to have the freest and liveliest press in the region.

Recently, however, Mrs. Aquino reportedly has been annoyed by what she perceives as negative press coverage, from the local press and more particularly from foreign correspondents based here.

The government has taken a series of recent actions against the media, with mixed results.

In October, for example, the government ordered three radio stations closed down and their broadcasting licenses revoked, for airing the views of Marcos loyalists which were considered "subversive."

At the same time, the government ordered an investigation into how a local television station was able to air an hour-long interview with renegade Colonel Gregorio Honasan, despite rules which said that a tape of such an interview must be submitted to the government censorship board.

Bonn Cautions On French Cheese

Reuters

BONN — The West German Health Ministry warned consumers Wednesday not to eat three varieties of French cheese because of possible bacterial contamination.

The three cheeses are "Le Tourré de L'Aubier", "Lys Bleu" and "Fourme de Bresse." A ministry spokesman said that only one batch of the latter brand was likely to be affected.

A soft Swiss cheese, "Vacherin Mont d'Or," was withdrawn from sale in Switzerland last month because it was contaminated with the potentially lethal bacteria listeria.

U.S. General Discounts Use of A-Bomb in Korea

By Fred Hiatt
Washington Post Service

SEOUL — The commander of U.S. forces in South Korea said Wednesday that he could not imagine any scenario in which the United States would use nuclear weapons in Korea.

General Louis C. Menetrey, following standard U.S. policy, said that he would neither confirm nor deny the presence of nuclear weapons in South Korea. But in answering a question at a forum of Korean and U.S. military experts, he was unusually explicit in ruling out their use.

"I do not envision any circumstance which I can imagine which would require the use of nuclear weapons," the general said.

The United States is widely believed to maintain several hundred tactical nuclear weapons, including atomic demolition mines, stored well south of the Demilitarized Zone bordering North Korea. General Menetrey, who assumed command here last summer, appeared to lend credibility to that belief when he said it would be "pretty dumb" to keep nuclear weapons near the DMZ but did not address the issue of storing them further to the rear.

In any case, he added, "tactical nuclear weapons, wherever they might be, are a deterrent."

The general's comments were made at the close of a three-day conference sponsored by the Council on U.S.-Korean Security Studies. The council is chaired by the retired General Richard G. Stilwell, a former commander in Korea and former deputy undersecretary of defense in the Reagan administration, and the retired General Paik Sun Yup of South Korea.

The presence of nuclear weapons in South Korea is potentially volatile, although this has not become an issue in the South Korean presidential campaign as some officials had feared it might.

North Korea, appealing to nationalistic sentiment among South Korean students, has frequently called for removal of U.S. forces from the peninsula and the formation of a "nuclear-free zone."

The issue of nuclear weapons in South Korea was raised by Peter Hayes, a member of the Energy and Resources Group at the University of California in Berkeley and a critic of U.S. nuclear policy in Korea.

Mr. Hayes said that, in part because of the presence of U.S. nuclear weapons, there may be more danger of a conflict in Korea escalating into nuclear war than anywhere else in the world.

He said that such short-range weapons have little military use because the radioactive fallout would be as dangerous to friendly forces and civilians as to the enemy.

Perle Faults Verification In Arms Pact

By Michael R. Gordon
New York Times Service

WASHINGTON — Richard N. Perle, a former Pentagon official whose hard-line views are expected to be influential in the Senate debate over ratification of the new missile treaty, has sharply criticized some of the verification provisions in the treaty.

Speaking Tuesday, Mr. Perle, a former assistant secretary of defense for international security policy, also said that the Senate should consider attaching reservations to the accord.

He suggested, however, that he would ultimately support ratification of the agreement banning shorter- and medium-range arms.

Looking toward the U.S.-Soviet summit meeting next week, Mr. Perle urged President Ronald Reagan not to set a date for a follow-up meeting in Moscow. He said that would put Washington under too much pressure to reach a pact reducing strategic arms.

One issue is whether the verification arrangements for the treaty on intermediate nuclear forces would serve as an adequate precedent for a future agreement reducing strategic, or long-range arms.

Mr. Perle complained that the treaty would not allow short-notice inspections anywhere in the Soviet Union.

WORLD BRIEFS

Acting Mayor Is Elected in Chicago

CHICAGO — Eugene Sawyer, the longest serving black alderman in Chicago, was elected acting mayor on Wednesday after a chaotic 6½-hour City Council meeting at which spectators, complaining of politicking and supposed back-room agreements over the vote, waved dollar bills and shouted "No Deals!"

Mr. Sawyer, who has ties to the regular Democratic organization, will fill in for the former mayor, Harold Washington, who died Nov. 25 of a heart attack. He will serve until a mayoral election, expected in April 1989, to fill the post for the remainder of Mr. Washington's term. It runs until April 1991.

Mr. Sawyer was elected with the help of many of the white aldermen who once had vigorously opposed Mr. Washington. "The reform movement initiated by Harold Washington shall remain intact and go forward," he said.

19th Game in Chess Match Adjourned

SEVILLE, Spain (Reuters) — The 19th game of the world chess championship was adjourned Wednesday after 40 moves.

Experts said the challenger, Anatoli Karpov, who holds a one-point advantage, was expected to try for a victory in the second session Thursday, but they did not feel that the champion, Garri Kasparov, was in serious danger of losing the game.

The 24-game match is tied at nine points apiece.

GAME 19
QUEEN'S GAMBIT DECLINED

White Karpov	Black Kasparov	White Karpov	Black Kasparov	White Karpov	Black Kasparov
1. Nf3	d5	15. Nxd4	Bxd4	29. Rfa1	Kf8
2. d4	Nf6	16. ed	Nb6	30. Kf2	Ke7
3. c4	e6	17. a4	Rb8	31. Ke3	Ke6
4. Nc3	Be7	18. a5	Nc4	32. Ra5	Rd6
5. Bg5	0-0	19. Bxc4	dxc4	33. R1a2	Rc6
6. e3	h6	20. Qxc4	Qd6	34. h4	Rd6
7. Bh4	b6	21. Qc5	Qxc5	35. Kf4	Rb6
8. Be2	Bb7	22. dxc5	Rbc8	36. R2a3	Rc6
9. Bxf6	Bxf6	23. a6	Ba8	37. Re5+	Kf6
10. cd	ed	24. Nb5	Rxc5	38. Rf5+	Ke6
11. 0-0	Nd7	25. Nxa7	Be4	39. Rfa5	Rb6
12. b4	c5	26. f3	Ra8	40. Re5+	Kf6
13. bc	bc	27. fxe4	Rxa7	Adjourned.	
14. Qh3	cd	28. Ra4	Rc6		

Israel Sold Arms to Iran, Papers Show

STOCKHOLM (Reuters) — Israel sold millions of dollars of explosives, artillery ammunition and shell parts to Iran through a Swedish *middleman between 1984 and 1986, according to thousands of* documents seized by Swedish customs agents.

Customs officers seized the documents in raids between 1984 and 19[illegible] at offices of Karl-Erik Schmitz, head of Scandinavian Commodity company in Malmo. About 1,600 pages were made available to journalists. Mr. Schmitz is awaiting trial on smuggling charges.

Pretoria Expands 2 Tribal Homelands

CAPE TOWN (Reuters) — The South African government put another 500,000 black people under the rule of tribal homelands Wednesday.

Some 12,000 people in Ekangala township, north of Pretoria, will now be ruled by neighboring KwaNdebele, where last year blacks protested earlier incorporations of their land into its territory. Some 500,000 people at Botshabelo, described by civil rights workers as the country's main dumping ground for blacks, will fall under the rule of the tiny, barren homeland of QwaQwa, about 125 miles (200 kilometers) away on the border of Lesotho.

The government said in a statement that people in Ekangala and Botshabelo would not forfeit their right to work in "white" areas, and that for the time being Pretoria would pay for health, schooling and pensions in the two townships.

Accord Is Near on Gibraltar Airport

LONDON (Reuters) — Spain and Britain reached agreement in principle on Wednesday on joint use of the Gibraltar airport, a Spanish Embassy spokesman said.

The spokesman declined to give details but said that talks in London between the British foreign secretary, Sir Geoffrey Howe, and his Spanish counterpart, Francisco Fernández Ordóñez, could lead to a firm agreement.

TRAVEL UPDATE

Italy Airport Strike Halts 200 Flights

ROME (Reuters) — Nearly 200 flights were canceled Wednesday as Italian airport ground employees held a national strike in protest against Prime Minister Giovanni Goria's veto of an accord over wages.

Alitalia and its ATI subsidiary canceled 40 percent of their international and national flights because of the eight-hour strike, the latest in a series of stoppages that have caused havoc for air travelers for several months.

Wednesday's stoppage was called after Mr. Goria vetoed a proposed pay settlement that he said would have wrecked the government's efforts to keep inflation to 4.5 percent next year. Two further days of strikes are planned for Dec. 6 and 14.

Yugoslavia began flights to Israel on Wednesday, and Transport Minister Haim Corfu of Israel said he hoped they would signal the renewal of relations severed by Belgrade 20 years ago. *(Reuters)*

Correction

An Associated Press story in Tuesday's editions erroneously stated income and revenue for PaineWebber Group Inc. Net income for the three months ended Sept. 30 was $14.8 million and revenue was $62[illegible] million. For the nine months, net income was $65.01 million and revenue was $1.9 billion.

Sihanouk and Hun Sen Extend Cambodia Talks

New York Times Service

FERE-EN-TARDENOIS, France — Prince Norodom Sihanouk, the former Cambodian leader, met on Wednesday with Prime Minister Hun Sen of the Vietnamese-backed Cambodian government, in a first tentative effort to end the country's guerrilla war. The two agreed to extend peace talks by at least another day.

In a brief news conference after the six-hour meeting, Prince Ranariddh, Prince's Sihanouk's son, said the meeting had been "very warm but frank."

He added that the meetings would continue Thursday and perhaps Friday to work out details for a second round of negotiations to be held in Pyongyang, North Korea. He said that no date had been set for the future talks.

Mr. Hun Sen told reporters that the discussion had been "friendly" and was "an opening for a real solution" to the guerrilla conflict. But he emphasized that no agreement had been reached.

The meeting marked the first time that Prince Sihanouk has entered into negotiations with members of the Cambodian government, which was installed after Vietnam invaded in December 1978 to end the three-year reign of terror by the Communist Khmer Rouge.

The meeting took place in the small French village of Fere-en-Tardenois, about 60 miles (100 kilometers) from Paris in the Champagne country.

Prince Sihanouk was joined at the negotiating table by his wife, Princess Monique, and Prince Ranariddh, who is also chief of staff of Prince Sihanouk's nationalist force. Mr. Hun Sen was joined by his foreign minister, Dith Munty, and Cham Prasith, a vice cabinet minister.

Prince Sihanouk has been the leader of the three-party guerrilla movement, including the Khmer Rouge and the Khmer People's National Liberation Front, which is seeking to overthrow the government. However, he is on what he calls a one-year leave of absence as president of the coalition, a move many observers said was meant to circumvent the Khmer Rouge's opposition to direct talks with the Cambodian government.

The Khmer People's National Liberation Front has given cautious approval to the talks.

Vietnam, reportedly encouraged by Moscow, has also given its backing to the effort which, if successful, might provide a way for Hanoi to rid itself of a costly commitment.

Vietnam currently maintains an estimated 140,000 troops in Cambodia while the guerrillas are thought to number about 50,000.

Khek Sysoda, a spokesman for Prince Sihanouk, said the talks should be considered only as "private conversations" between the prince and the Cambodian government and not official negotiations.

Afghan Leader's Plan For Soviet Withdrawal Held Inadequate by U.S.

By Elaine Sciolino
New York Times Service

WASHINGTON — Reagan administration officials have described the Afghan government's proposal to have Soviet troops withdraw over a period of 12 months as inadequate.

They said Tuesday that they expected Mikhail S. Gorbachev, the Soviet leader, would discuss a formal withdrawal proposal when he meets here with President Ronald Reagan next week.

Afghanistan's proposal, made in a speech Monday by the Afghan leader, Major General Najib, contains conditions that are unacceptable to the United States and Pakistan, the officials said.

The unacceptable conditions include a cutoff of U.S. and Pakistani aid to the Afghan guerrillas and the creation of a coalition government of Afghan and insurgent officials before any withdrawal begins, the officials said. In addition, the proposal does not give a starting date for the withdrawal of the estimated 115,000 Soviet troops in Afghanistan.

"We don't see anything exceptionally fresh" in General Najib's speech, said an administration official who closely watches Afghanistan. "If what he has to offer reflects the Soviet position, it doesn't look very encouraging."

Other administration officials characterized General Najib's speech as the most recent in a flurry of statements suggesting flexibility on the withdrawal timetable, but offering nothing concrete. A State Department spokesman, Charles E. Redman, said Tuesday that what is now required is "a date certain for the beginning and completion of the withdrawal of Soviet forces."

Mr. Reagan has said he will press the Russians to agree to a reasonable withdrawal timetable free of unacceptable conditions, which Undersecretary of State Michael H. Armacost said Monday was "the sticking point" in U.S.-Soviet talks on an Afghan settlement.

Mr. Gorbachev, for his part, said in an interview with NBC News broadcast Monday that if the United States wanted a political solution to the problem, "it could be done very quickly."

In recent months, as the guerrillas have increased their military ability, the Russians have sought to deflect attention from the troop withdrawal issue and focus on the need for an end to "outside interference." Mr. Gorbachev may seek U.S. cooperation in urging the Afghan insurgents to work with the Afghan regime for a political solution, according to interviews with Soviet officials, a position the rebels and the administration have rejected outright.

"The only stumbling block now is for the United States to pressure its friends to make a choice in favor of the national reconciliation process," a Soviet official said.

In Moscow, Prime Minister Bob Hawke of Australia said Tuesday that Mr. Gorbachev had told him that he was considering a shorter timetable than 12 months for withdrawing Soviet troops.

Mr. Hawke quoted the Soviet leader as having said that he had been in contact with General Najib in the past 24 hours and that "there might be the possibility of an earlier withdrawal than contemplated."

A Soviet official in Washington declined comment on Mr. Hawke's remarks, but said that if the United States used its influence to push the guerrillas into negotiations with Kabul, "the timetable could be shorter."

Administration officials said that the United States would be adamantly opposed to such a gesture, adding that the Russians were mistaken if they believed that Washington could order the fiercely independent Afghan rebels to behave in a certain way.

The Associated Press

CHANGING OF THE PRISON GUARD — Bureau of Prisons employees moving in to relieve colleagues on guard duty at the Atlanta federal prison. Cuban inmates, demanding that they not be returned to Cuba, have held control of the facility for 10 days. Negotiators expressed optimism on Wednesday over talks aimed at ending the insurrection.

Cease-Fire Talks to Begin As Contras Outline Plan

By George Volsky
New York Times Service

MIAMI — Claiming control of more than half of Nicaragua, rebel leaders have announced their own cease-fire plan calling for a 41-day break in hostilities beginning next week and simultaneous talks on political issues.

The contras' plan, announced Tuesday, demands an end to government control over several major sectors of Nicaraguan life as a condition for halting the guerrilla war.

Their plan and a cease-fire proposal offered by President Daniel Ortega Saavedra on Nov. 13 in Washington are to be discussed Thursday in Santo Domingo, capital of the Dominican Republic, at the first mediation session presided over by Cardinal Miguel Obando y Bravo, the Roman Catholic primate in Nicaragua.

The choice of Santo Domingo for the first round of talks was announced Monday in Managua by Cardinal Obando, who has been accepted by both sides as mediator. Initially, the most frequently mentioned site was San José, Costa Rica.

The contra plan, which proclaims the legitimacy of the insurgency, does not refer to the 11-point cease-fire proposal by Mr. Ortega. But it rejects the Sandinist plan implicitly, saying that "simultaneously with the initiation of the cease-fire, the Sandinista regime shall comply, in accordance with the conditions stipulated" in the regional peace accord signed by five Central American presidents.

Among those conditions are a general amnesty; a lifting of the state of emergency, and "democratization," which includes such steps as ensuring freedom of the press, ending subsidies to government news organizations, ending the military draft and dissolving the Sandinist neighborhood vigilance committees.

The contras, who called for hostilities to be suspended from next Tuesday until Jan. 17, also said that rebel troops would remain in control of more than 30,000 square miles (77,500 square kilometers) of Nicaragua, a country whose total territory is 57,000 square miles. A shaded area in a map that is part of the contra proposal indicates that the rebels claim that the Managua government controls only a narrow strip of land along the Pacific coast.

Most Western analysts believe the contra territorial claim to be unrealistic, since the area the insurgents say they control includes large cities like Matagalpa and Esteli, which have never been held by the insurgents.

The Ortega plan, which dealt exclusively with military matters, proposed that three cease-fire zones, totaling 4,000 square miles, be established. Under the Ortega plan, the Nicaraguan army would suspend operations to let the contra forces move into the three zones.

An official at the Nicaraguan Embassy in Washington, asked for reaction to the contra plan, said that "the government is studying the contra proposal and will respond to it in due time through Cardinal Obando."

'The Ox' of Afghanistan: Najib Holds the Reins

By John Kifner
New York Times Service

KABUL, Afghanistan — He is called the Ox. The nickname for the Soviet-backed leader of Afghanistan, Major General Najib, refers not only to his bulky physique, but also to his driving power and his approach to obstacles in his path.

Installed by Moscow as the local Communist Party chief on May 4, 1986, in an effort to end party infighting and defeat the Islamic guerrillas fighting Soviet occupation troops, General Najib presents an imposing, indeed intimidating, physical presence.

In addition to the title of general, for his role as head of the secret police, General Najib is also called doctor, for the medical degree he earned at Kabul University in 1975.

One title he is not using these days is comrade, the traditional Communist form of address.

During a two-day gathering of tribal leaders to proclaim him president under a new constitution, he said someone had come to him and asked, "How should I call you from now on?"

Comrade, he said in his acceptance speech Monday, has been proudly used by party members. But, he went on, "the state does not oblige the people of Afghanistan to use it because in our language there are many, many kinds and affectionate forms of address."

The declaration was part of an effort by General Najib and his supporters to broaden his government's narrow base by proclaiming themselves in the embrace of Islam. Guerrillas, who espouse deep religious commitment, control much of the countryside, with Soviet troops largely drawn back in defense of the five major cities.

General Najib, who was born in Kabul, is 40 years old, just the age the new constitution sets for the president. In common with Pathan traditions — and those of many other ethnic groups in the region — he has no family name.

Despite his Pathan roots — his grandfather was a tribal chieftain — General Najib is something of a transitional figure in ethnic politics, diplomats noted.

In a land of tribal vendettas, the Communist Party has been plagued from its beginnings here by infighting between two factions: Khalq, or People, and Parcham, or Banner.

The more-doctrinaire Khalq are dominated by the majority ethnic group, the rural Pathan who speak Pashto and have strength in the army and police. The Parcham is made up of urban intellectuals, people who speak Dari, a form of Persian.

General Najib grew up in cities. His father was the Afghan commercial representative in Peshawar, Pakistan. But he joined Parcham and was an early ally of the former Afghan leader, Babrak Karmal, who is now in the Soviet Union. Recently, however, he has purged Parcham supporters.

"He is one generation away from the traditional ways," a Western diplomat here said. "He wears a suit, he has short hair."

Little is known of his personal life. The Afghan "Who's Who" says he is married and has one daughter. But officials at the information agency and the state news agency say they do not have the names.

Resistance to Junta Widens in Haiti

The Associated Press

PORT-AU-PRINCE, Haiti — The nation's largest labor union and a leading presidential candidate demanded Wednesday that Haiti's military leader step down immediately, and they vowed to boycott any elections organized by the junta.

The candidate, Sylvio Claude, said he would call for "total civil disobedience" if Lieutenant General Henri Namphy, who heads the three-man provisional government, does not cede power.

General Namphy dissolved Haiti's Electoral Council after fierce violence against voters on Sunday forced the independent body to cancel what would have been Haiti's first free elections in 30 years.

He said he intended to hold the elections and turn over power on Feb. 7, the second anniversary of the flight of Jean-Claude Duvalier, the Haitian dictator.

The Autonomous Central of Haitian Workers, the country's largest labor union, voiced full support for the Electoral Council, which on Tuesday said the junta was barred by the constitution from conducting elections by itself.

The union was among key backers of nationwide anti-government demonstrations and general strikes that shut down most cities and towns last June and July.

Mr. Claude, leader of the Christian Democratic Party, recommended in a radio broadcast that a new provisional government comprised of "three patriotic officers and four civilians" be set up within 48 hours.

On Tuesday, the junta also was condemned in Miami by more than 50 people who had served as election observers in Haiti. While the delegation stopped short of backing outside military intervention, it has not ruled out that possibility.

"In the view of every observer that I know of, the Namphy government has totally disgraced itself," said Robert White, a former U.S. ambassador to El Salvador and co-leader of the delegation. Mr. White, saying he planned to go to Washington to "start raising hell," asserted that General Namphy had "staged a coup."

The election violence was "clearly orchestrated to frustrate the voting process," the observers said in a prepared statement, adding that the armed forces and police "tolerated and abetted" the violence.

"All the options ought to be carefully considered on an urgent basis," said another observer, Bryan Atwood, president of the National Democratic Institute, based in Washington. "If a military force or peacekeeping force is used at all as an ultimate option, it ought to be introduced only at the request of Haitian people for humanitarian purposes."

Soldiers as well as armed bands of thugs took part in the violence Sunday. At least 34 persons were shot or hacked to death, many of them at voting stations.

The opposition group National Congress of Democratic Forces issued its own statement on the radio, vowing also to boycott any elections organized by the junta.

The Electoral Council said Tuesday in a statement on radio that Haitians would welcome foreign intervention if junta-tolerated violence continued.

Girl Kidnapped in Italy

Reuters

GROSSETO, Italy — Four men posing as policemen kidnapped a 15-year-old schoolgirl in this Tuscan city on Tuesday, the police said.

London Hotel Fire Kills 2

Reuters

LONDON — Two persons were killed Wednesday in a fire in the Rubens Hotel near Buckingham Palace, rescue officials said.

GLASNOST: *Experts Devouring Feast of Soviet Data*

(Continued from Page 1)

figures again, and to Mr. Feshbach the numbers ring true.

"The Soviets used to rail at Murray for 'Cold War statistics,'" says Robert Conquest, an historian. "Now they know he was right."

In the dim, old days of Sovietology — that is, the period from the Bolshevik Revolution of 1917 until the ascent of Mikhail S. Gorbachev in 1985 — Western scholars often were reduced to the footprint-and-bloodhound techniques of Sherlock Holmes.

Kremlinologists looking for opposition in the Politburo studied the order of pallbearers at state funerals. Historians researching the life of Trotsky found him erased from official Soviet photographs and records. Sociologists and journalists set out to describe problems such as AIDS and drug abuse while the Soviet press insisted they did not exist.

Glasnost has gone a long way to change all that. Western scholars, intelligence analysts and students of the Soviet Union are now able to draw a clearer, more complete picture of policy debates and the society in general simply by reading Soviet newspapers and journals — publications that in years past had been nearly useless.

Although Mr. Feshbach and many of his colleagues are quick to caution that the Soviet Union still withholds a tremendous amount of information in nearly every sphere of life and still has not been forthcoming on a myriad of historical, defense and foreign policy questions. Sovietology as a field has been transformed by the Gorbachev Revolution.

The volume of new material, says Professor Stephen Cohen of Princeton University, is "astonishing."

"Now Sovietologists have to work for a living."

The Soviet press, which was once nearly monolithic, now features publications both liberal — Moscow News, Izvestia and Ogonyok, to name a few — and more conservative: Nash Sovremennik, Pravda and Sovietskaya Rossiya.

The journals and newspapers are printing genuine debates — a public discussion of issues that has allowed Western scholars to get a clearer sense of public opinion among academics, working people and even Politburo members.

For years, Ed Hewitt, an economist with the Brookings Institution in Washington, found his Soviet colleagues unwilling to discuss openly basic questions of pricing, inflation and unemployment. "Now it's turned around," Mr. Hewitt says. "They argue nearly everything in the open, and their own economic figures are more pessimistic at times than anything that ever came out of the CIA."

The dramatic denunciations and firing of Boris N. Yeltsin, the Moscow party chief, which most analysts interpret as a signal that Mr. Gorbachev has had to accommodate conservative sentiment in the leadership, was described across two full pages of Pravda.

"We always knew there were quarrels at the top, but since 1927 there had been a facade of unanimity," says Richard Pipes, an historian at Harvard University. "Now we have the unusual spectacle of hearing individual views."

"It's still not a bad idea to check out who is standing next to whom on top of the Lenin Mausoleum," says Stephen Sestanovich, director of Soviet studies at the Center for Strategic and International Studies at Georgetown University. "But it's even more important to analyze the speeches and debates between Politburo and Central Committee people. We're not the detectives we once had to be."

Criticism in the press occasionally also opens a window on foreign policy.

This summer Literaturnaya Gazeta printed the comments of an academic who thought the economy and state of technology would improve if mandatory military service were eliminated. A television show a few months ago featured several retired generals debating military policy.

Izvestia, the government newspaper, recently published an article describing corruption and black-marketeering among Afghan officials and Soviet soldiers in Kabul.

Sovietology as a profession did not anticipate the ascendancy of Mr. Gorbachev. And even fewer expected him to push so hard for change.

"The rise of Gorbachev's reform government posed a test for Sovietology and, by and large, Sovietology failed," said Mr. Cohen, author of "Rethinking the Soviet Experience." "We have to ask if Sovietology anticipated, conceptually, a radical reform regime. And if you go back to the writings, with only a few exceptions, it did not."

Russians Lose On Black Tie

New York Times Service

WASHINGTON — In the rough bargaining for next week's summit meeting, Mikhail S. Gorbachev has already had to make one concession to President Reagan: The White House dinner Tuesday will be black tie, not business dress as the Russians requested.

Mr. Gorbachev may come in street attire anyway, but President and Mrs. Reagan have made a concession in return. They will attend the dinner given by Mr. Gorbachev at the Soviet Embassy the next evening. Traditionally, they would have let Vice President George Bush represent them.

Le Corbusier Artwork Sold

The Associated Press

LONDON — Thirty-one paintings, drawings, collages and pieces of sculpture by the architect and town planner Le Corbusier, who died in 1965, were sold Wednesday for £1,597,310 ($2.8 million) at auction in London.

ABM: *Violation Charged*

(Continued from Page 1)

not to delay the report past the Dec. 1 deadline set by Congress.

The Defense Department position was set by Caspar W. Weinberger before he left office as secretary of defense on Nov. 20.

The radars, called Flat Twin and Pawn Shop by analysts, were built in the early 1970s at Saryshagan, a missile test range in the south-central Soviet Union. They were moved to Gomel and the Moscow region this year.

U.S. intelligence officials said the radars were designed to track incoming U.S. ballistic missiles and guide Soviet anti-ballistic missiles to destroy them with nuclear explosions. U.S. officials said this makes the radars subject to an ABM treaty requirement that such radars be deployed only at agreed test ranges.

■ CIA Assesses Gorbachev

U.S. intelligence experts said Wednesday that Mr. Gorbachev is likely to fall short of his ambitious economic goals but that an arms treaty might soften the political fallout against him, Reuters reported from Washington.

Central Intelligence Agency analysts and other agencies generally agreed in a report to Congress that Mr. Gorbachev has set his sights on an unrealistic economic performance through radical reforms and sweeping plans for industrial modernization.

"Because Gorbachev's program is likely to come up short, the Soviets could face more difficult problems in the future," said Robert Leggett, a CIA analyst. "Indeed the crunch point could come as early as 1988 or 1989."

He said the military and consumers would demand more of a share of the Soviet total goods and services.

"These pressures could lead to a heated political debate and present a major test of Gorbachev's leadership," he said.

Ron Edmonds/The Associated Press

Before a nationally televised debate in Washington among U.S. presidential candidates, four participants warmed up for the discussion. From left: Pat Robertson, a Republican; Tom Brokaw, anchorman for NBC television and moderator of the debate; and Senator Paul Simon of Illinois and the Reverend Jesse L. Jackson, both Democratic candidates.

DEBATE: *U.S. Presidential Hopefuls From Both Parties Take Their Poke*

(Continued from Page 1)

publican candidate, challenged Mr. Bush to say whether he was "in the cockpit or in an economy ride in the back of the plane" when Mr. Reagan approved trading arms for hostages with Iran.

"I think the Iran-contra report dealt with that," Mr. Bush responded without answering substantively on his role in the affair. Mr. Bush went on to assail the bipartisan majority investigation that had documented many of the abuses and deceptions of the Iran-contra scandal. He endorsed the minority report. Profits from U.S. arms sales to Iran were diverted to support Nicaraguan rebels, known as the contras.

"You haven't answered my question," Mr. Haig insisted. "You are running for president and I think the American people want to know the position you took."

The other Republican candidates participating were Representative Jack Kemp of New York; Bob Dole of Kansas, the Senate minority leader; Pat Robertson, a former television evangelist; and Pierre S. du Pont 4th, a former governor of Delaware.

The Democrats included Mr. Simon; Bruce Babbitt, a former governor of Arizona; Governor Michael S. Dukakis of Massachusetts; the Reverend Jesse L. Jackson; Senator Albert Gore Jr. of Tennessee; and Representative Richard A. Gephardt of Missouri.

Of the Republicans, Mr. Kemp was the only one who said he would pardon Lieutenant Colonel Oliver L. North, a former National Security Council aide, and Admiral John M. Poindexter, a former national security adviser, for their roles in the Iran-contra affair.

"It's time to stop investigating Ollie North and start investigating the Congress," he said, alluding to the decision by Congress not to support the rebels in Nicaragua.

Mr. Robertson, Mr. Haig, and Mr. Dole withheld judgment on whether they would consider a pardon. Mr. Bush did not directly respond on whether he would pardon the two, but he praised the patriotism of both men.

When the Republicans took the stage, only Mr. Bush supported the new arms treaty without reservation. He noted that all the leaders of Western Europe had endorsed it, and he described it as a "major breakthrough in verification."

Mr. Kemp said, "We should not rush into signing a treaty with the Soviet Union until we force them to comply with previous agreements." He said they had violated the SALT-1 and SALT-2 strategic arms limitation accords, the Helsinki agreement and the 1972 Anti-Ballistic Missile Treaty.

Mr. Dole was the only Republican aside from Mr. Bush to leave enough room in his answer so that he might eventually vote for the treaty when it is put before the Senate for ratification.

"I am happy the president is signing it," Mr. Dole said. But he added: "We ought to be certain it can be verified." He said he wanted time to "read and study" the proposal, and he suggested he would try to add provisions that would allow him to support it.

In their foreign policy segment, the Democratic candidates repeatedly criticized Mr. Reagan's arms sales to Iran and his policies in Central America. They questioned his policies in the Gulf and assailed Reagan subordinates for the Iran-contra affair.

They also skirted serious disagreement among themselves. Instead they aimed their criticism at the Republican candidates and Mr. Reagan's record. But they repeatedly went out of their way to point out that, unlike most of the Republican candidates on stage, they support the Soviet-U.S. arms accord.

When the Democrats were asked who would be best equipped to sit across the negotiating table from Mr. Gorbachev, Mr. Jackson stepped up immediately to say he already had met with Mr. Gorbachev and had met with more foreign heads of state than any of the candidates. "If you count the dead ones, George Bush has met with more," he joked, a reference to state funerals that vice presidents are called on to attend.

In their segment on domestic policy, the Democrats sparred over budget, taxes and the Reagan deficits.

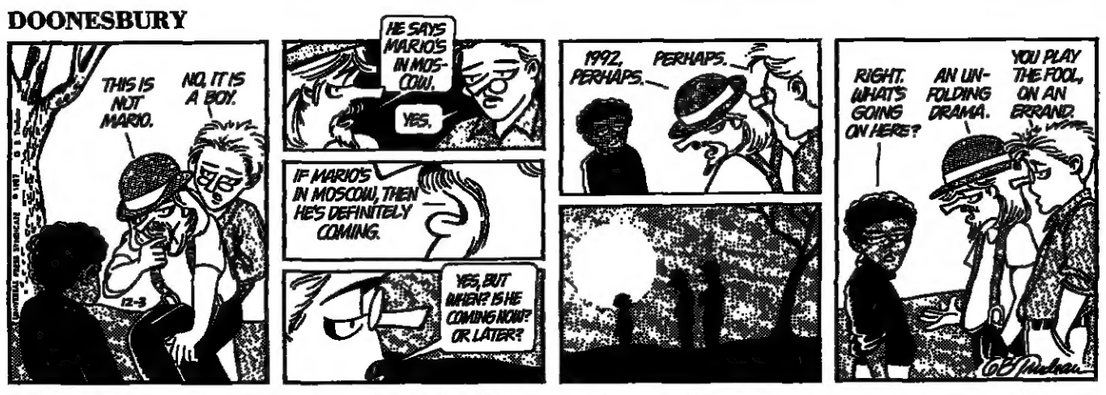
Mr. Simon was criticized for proposing many new domestic policy spending programs while also supporting a constitutional amendment to balance the budget. When Mr. Simon described himself as a "pay-as-you-go Democrat," Mr. Gephardt shot back, "You're a promise-as-you-go Democrat."

Mr. Gephardt, who has been falling behind Mr. Simon in recent polls, compared the plans of the Illinois senator to those of Mr. Reagan. "Simonomics is really Reaganomics with a bow tie," Mr. Gephardt said, in reference to Mr. Simon's sartorial trademark. "It's time to tell people what they need to know instead of what they want to hear." Mr. Gephardt said that Mr. Simon has supported spending to give "free false teeth and free telephones for millions of people."

Mr. Babbitt, who has called for a combination of tax increases and spending cuts to deal with the deficit, then fired back at the others. "I've just heard a lot of flim-flam," he said. He called for domestic spending cuts and a tax increase and accused the president, Congress and the other Democrats of the stage of refusing to "to stand up" and tell Americans this. "And I'm going to stand up," he declared rising and challenging the others to join him.

When they remained seated, Mr. Babbitt said, "There aren't a lot of profiles in courage here tonight."

DOONESBURY



Raisa Gorbachev's Visibility Is Resented by Many Soviets

By Felicity Barringer
New York Times Service

MOSCOW — A prime-time Soviet broadcast of Mikhail S. Gorbachev's interview on NBC News rolled along untouched for 55 minutes, until the subject of Raisa Gorbachev came up — and with it, by implication, the ticklish question of her role in her husband's grand designs for Soviet society.

Then, with the altering of one question and the elimination of a second, the notion that Mrs. Gorbachev is an intellectual force in Soviet policy discussions was diluted almost beyond recognition, underscoring the sensitivity with which her role is treated here.

As American viewers saw it Monday, the exchange went as follows:

Tom Brokaw, the interviewer: "We've all noticed the conspicuous presence of Mrs. Gorbachev in your travels. Do you go home in the evening and discuss with her national politics, political difficulties and so on in this country?"

Mr. Gorbachev: "We discuss everything."

Mr. Brokaw: "Including Soviet affairs at the highest level?"

Mr. Gorbachev: "I think I have answered your question in toto. We discuss everything."

But as Soviet viewers heard the superimposed Russian translation Tuesday night, Mr. Brokaw first asked if the Gorbachevs discussed "public issues."

Mr. Gorbachev's first answer remained uncut, the second question and answer were cut entirely.

It was the only change in the entire broadcast, and it was a significant one. Mrs. Gorbachev's image as a well-educated, gracious and stylish Soviet woman has clearly charmed the United States, which she will visit with her husband next week, but a marked feeling of resentment bubbles around her in her homeland.

"Did you see it?" the irate wife of a high-ranking Soviet official complained to an acquaintance last winter, after the Gorbachevs were shown on a visit to the Baltic republics. "She took a step forward, and later she took his hand. She shouldn't even be in the picture. If she must be, she should be behind him."

The very visibility that makes Mrs. Gorbachev the object of approving and consuming curiosity in the West has fed a broad feeling in many levels of Soviet society that she is somehow overstepping her position.

All the Soviet professions of sexual equality fail to mask an overriding traditionalism that locks most women into lower-paying jobs, small kitchens and long food lines. In the governing bodies of the Communist Party women are almost invisible. Not one of the 19 members of the ruling Politburo is a woman.

The notion that Mrs. Gorbachev, who holds a doctorate, has a potential influence on policy permeates the rumors about her. In these stories her influence always seems somehow insidious.

For instance, rumor casts her as a devious player in everything from the creation of a government commission to investigate the grievances of the Crimean Tatar minority (it is said she has Tatar ancestors), to the economic restructuring of the nation (she is rumored to be the daughter of an active participant in Lenin's economic experiments of the 1920s).

But by comparison with the wives of earlier Soviet leaders, like Anna Chernenko and Viktoria Brezhnev, her occasional public appearances seem frequent and her demure demeanor boisterous. In the Andropov years, neither the Soviet public nor the West even knew the leader had a wife.

One Russian, who admires Mrs. Gorbachev, said: "She's cultured, she's influential, she's visible. That's like a red flag to a bull."

In the midst of the recent dispute over the dismissal of Boris N. Yeltsin as Moscow party chief after he made a speech criticizing the pace of change, a British newspaper, The Observer, printed a story that Mr. Yeltsin had criticized Mrs. Gorbachev by name. The paper said he had objected to Mrs. Gorbachev's reported salary of 780 rubles a month as a member of the Soviet Cultural Foundation.

The Foreign Ministry spokesman, Gennadi I. Gerasimov, denied Monday night that Mrs. Gorbachev received a salary for her work on the foundation, and that her name had been mentioned in Mr. Yeltsin's speech, which has not been published in the Soviet Union.

Nonetheless, the resentment of Mrs. Gorbachev's prominence is clearly outweighed by admiration among many young people, who like the way she gives the lie to the stereotype of the lumpy, dowdy wife in a babushka.

"She's the model of the Soviet woman as it might be sometime in the future," said one. "But we've got to walk a long way before we're going to get there."

Raisa Gorbachev

Carlucci Warns NATO of U.S. Aid Limits

By Molly Moore
Washington Post Service

BRUSSELS — The U.S. defense secretary, Frank C. Carlucci, warned his European colleagues on Wednesday that Washington cannot continue pumping more money into NATO defenses, despite heightened concerns among the allies over improving conventional forces.

Mr. Carlucci's tough talk on the U.S. contribution to the NATO budget came as North Atlantic Treaty Organization defense ministers firmly endorsed the pending superpower agreement to eliminate shorter- and medium-range nuclear weapons.

The prospects of that agreement have drawn new attention to NATO's ongoing effort to modernize its defenses.

The pending treaty, along with the financial difficulties of improving NATO's conventional forces, dominated the two-day meeting of the NATO Defense Planning Committee here. The meeting ended Wednesday.

The final communiqué stressed the need to improve conventional forces. However, Mr. Carlucci said after the session ended, "I'm not going to make the claim there were will be large-scale improvement in capability, given the constraint we all face."

Lord Carrington, the NATO secretary-general, said, "The U.S. is suffering increased financial difficulties and can't be expected to carry as large a share of the defense burden as in the past."

He said that Mr. Carlucci had informed the ministers of "the facts of life" about the U.S. military budget.

Mr. Carlucci said he told his European counterparts that NATO would have to become more innovative in stretching its financial resources.

The defense ministers reiterated their earlier support for the U.S.-Soviet accord on banning missiles with a range of 300 to 3,000 miles (500 to 5,000 kilometers), noting in the communiqué, "We welcome and fully support the agreement."

They urged additional movement in ongoing talks between NATO and the Warsaw Pact on reductions in conventional arms.

Although some European leaders have said that they expect the U.S.-Soviet agreement on intermediate nuclear forces to create an atmosphere that could produce progress in the talks on conventional weapons, Lord Carrington said he believed that a final agreement on such weapons was still years away.

■ Paris-Bonn Links Backed

The United States is in favor of the growing French-West German military links and believes such moves will strengthen NATO, Mr. Carlucci was quoted as saying Wednesday in a report from Brussels by Reuters.

Responding to a question at a news conference after the ministers' meeting ended, Mr. Carlucci said he knew of concern among members over growing military ties between Paris and Bonn.

"My own view," he said, "is that those are perhaps desirable things to have happened." He added, "As far as we're concerned, the more cohesion there is in the European part of the alliance the stronger the alliance is."

Prime Minister Margaret Thatcher of Britain said in November that the ties between West Germany and France could undermine NATO by creating a competing structure. France left NATO's military command in 1966.

Furthermore, Prime Minister Giovanni Goria of Italy has been quoted as saying that the French-West German links contravened the spirit of European defense cooperation.

Mr. Carlucci said, however, that he understood that the Paris-Bonn links were aimed at strengthening NATO.

"We don't get nervous about those things," he said. "I know of no initiative under way right now that is directed at undercutting NATO."

UN Must Borrow in Financial Markets For First Time, Pérez de Cuéllar Says

By Paul Lewis
New York Times Service

UNITED NATIONS, New York — The United Nations secretary-general, Javier Pérez de Cuéllar, told member states Wednesday that the UN must start borrowing in financial markets for the first time to avoid the threat of insolvency next year, largely as a result of the U.S. failure to pay its dues.

He told the General Assembly that without such borrowing and without additional contributions from member governments, the UN would run out of money next August, assuming that the amount and timing of the U.S. contributions in 1988 follow the same pattern as this year.

To stave off insolvency next summer, he asked the General Assembly for authority to borrow as much as $50 million on international financial markets at commercial rates of interest to tide the organization over until all members pay what they owe.

If the General Assembly agrees, this would be the first time the UN has borrowed on commercial markets. In the 1960s, the world body raised about $169 million to help pay for its peacekeeping operations in the Congo through a bond issue sold to member governments.

In 1981 and 1985, the UN Secretariat sought permission to borrow commercially as several other UN specialized agencies are allowed to do, including the World Bank and the International Labor Organization. But it was turned down.

In addition, the secretary-general asked member states to provide an additional $100 million to the UN Working Capital Fund. This fund, established in 1981 at a level of $100 million to meet financial emergencies, has been exhausted.

But payments to the Working Capital Fund are divided between member states on the same basis as the regular budget, UN officials said. Since the United States already is behind in its regular budget payments along with many other countries, the UN is unlikely to get more than an additional $50 million to $55 million from this source, these officials say.

The secretary-general also asked permission to "sell" the unpaid U.S. debt to other member countries for cash.

This means that the UN would effectively ask other governments to pay the outstanding U.S. contribution, giving them in return non-interest-paying bonds that would be redeemed when the United States pays its arrears.

"The UN must enjoy financial stability for it to serve effectively the social, economic and political needs of the world today and of the next century," Mr. Pérez de Cuéllar said.

Assuming the United States pays about half its $212 million annual contribution next year in the final quarter as it proposes to do this year, the secretary-general calculated that the UN would run out of money in August. He estimated that expenditures will exceed income by $37.4 million in the third quarter of 1988 and by $72.6 million in the final quarter.

In his report, Mr. Pérez de Cuéllar said the organization faces insolvency next year despite the economies it has made. He said spending has been cut by 7.8 percent this year and that savings will exceed the goal of $146 million.

Irish Leader Moves Warily Against IRA

By Francis X. Clines
New York Times Service

DUBLIN — Concerned that political violence could re-emerge as a threat to Ireland, Prime Minister Charles J. Haughey is presiding uneasily over two initiatives against the Irish Republican Army.

In the first, Mr. Haughey continued on Tuesday a weeklong series of raids on suspected IRA border havens by a force of 7,000 policemen and soldiers. It was the largest force committed by the Irish Republic against the outlawed movement.

In the second, he accepted introduction in Parliament at midnight Tuesday of the European Convention on the Suppression of Terrorism, a step long sought by Britain to make it easier to extradite IRA suspects from Ireland.

Mr. Haughey is trying to soften the ensuing political controversy by seeking to amend the convention and has threatened to call elections if Parliament rebuffs him on the matter this week.

After years of being criticized as a politician who flirted too easily with IRA sympathizers, Mr. Haughey has suddenly emerged at the head of what is perceived as a crackdown against terrorism.

He has told the nation that recent events raised "the overriding need to preserve parliamentary democracy" from terrorist threat.

The sobering events cited by Mr. Haughey include the IRA bombing Nov. 6 that killed 11 civilians in Enniskillen, Northern Ireland.

More threatening, from the prime minister's viewpoint, is the interception by France in early November of a boatload of sophisticated new weaponry, including parts for surface-to-air missiles, that was bound for Ireland and purportedly destined for the IRA arsenal.

Mr. Haughey indicated that the raids by troops and the police are aimed at finding arms that are feared already to have been landed for possible use against targets in Ireland.

The IRA's political arm, Sinn Fein, denies any such strategy, stressing that the paramilitary movement aims at targets in British-ruled Northern Ireland, not in the Irish Republic.

Thus far, the main effects of the raids have been the arrest of four IRA fugitives and the discovery of two large, elaborate bunkers. No weapons have been found, according to the authorities.

Several people have been detained for questioning, and there has been closer than ordinary coordination with Northern Ireland authorities.

Mr. Haughey is trying to carry through on the extradition convention, endorsed in 1986 by the previous Parliament, but he also wants to demonstrate some independence from Britain to Irish voters. They have long been skeptical that Irish suspects can be treated fairly under British justice.

The government of Prime Minister Margaret Thatcher rejected an earlier proposal by Mr. Haughey to reform a court system in Northern Ireland whereby a single magistrate serves as both judge and jury in terrorism cases.

Mr. Haughey is trying to have the extradition convention amended to give the Irish attorney general veto power in determining whether there is strong enough evidence for extraditing IRA suspects.

Angola Rebels Free 2 Swedes

Reuters

NAIROBI — Angola's rightist UNITA rebels said on Wednesday they had freed two Swedish aid workers whom they kidnapped in northern Angola more than two months ago.

Herald INTERNATIONAL Tribune
Published With The New York Times and The Washington Post

The Gorbachev Show

Skeptical, Hopeful

The Soviet leader who will arrive next week in Washington will be less a stranger to Americans than any of his predecessors. Just a few days before his summit visit, Mikhail Gorbachev was there for all to read in his new book, "Perestroika," and for all to see in an interview on American television. The reviews were quick and varied: canned and candid, belligerent and believable, inspirational and manipulative. Such drama reviews mean little. Worse, they hide what matters — the fact that the Soviet leader allowed himself to be questioned without conditions by Tom Brokaw of NBC, and the facts of change in the Soviet Union.

The television interview gives credibility to Mr. Gorbachev's policy of glasnost, or openness. Events in his country put flesh on his policy of perestroika, or restructuring. He has slightly opened the emigration spigot, given greater freedom to question the party and the government, and faced up to the severe economic difficulties that restrain Soviet military expenditures and force a new look at Afghanistan.

There is no telling how durable his new policies are, or how far he will take them. But they are not just words, not just theatrics to be assessed by political drama critics. They represent tangible changes in Soviet society, improvements for the Soviet people and grounds to explore the Soviet leader's foreign policy overtures with seriousness.

What are the messages Mr. Gorbachev wants Americans to hear? He offers an unusually coherent view of the world in his book. The Soviet economy, he writes, "had fallen to a level close to stagnation." His people were dispirited. There was "disrespect for the law and encouragement of eyewash and bribery, servility and glorification." Only a thoroughgoing restructuring, including the introduction of market incentives, could alter this. The public must be involved. That requires unaccustomed telling of truths and facing of facts — in a word, glasnost.

Restructuring is also necessary internationally. Economic conditions make the traditional "imperialist" ways of gaining power impracticable. Nuclear weapons mean that war can no longer be seen as an extension of politics. Today's problems can only be solved cooperatively. There can be "either equal security for all or none at all."

This severe assessment of Soviet problems must not be mistaken as a sign of weakness, Mr. Gorbachev hastens to add. If adversaries remain regrettably stuck in old thinking, Moscow will remain strong and match them. Nor does he make any pretense of eliminating communism. Perfecting, not rejecting, Soviet socialism is the goal.

The party line is drearily evident in his history of the division of Europe, the Soviet invasion of Afghanistan or emigration of Soviet Jews. Yet he has a remarkable understanding of foreign thinking. He challenges the notion that perestroika is destined to be overwhelmed by the Soviet system. And he knows what threats worry the West: Khrushchev's "We will bury you," the theory of exporting revolution and his own new "designs" on the Pacific or his wily wooing of Europe. He tries to lay these concerns to rest.

His words are only part of all that must go into judging him. Whatever he says of anti-imperialism, his troops in Afghanistan say more. By crushing his protégé Boris Yeltsin for speaking too boldly against the slow pace of reforms, he demonstrates the actual limits of the Soviet leadership's tolerance. But undeniably his policies are also helping the Soviet people. And without new Soviet flexibility on foreign affairs, this summit meeting would never have come about.

Americans are naturally and rightly skeptical about Soviet oratory. They are also habitually hopeful, and eager to see if something can be worked out. This is not a bad set of attitudes with which to greet Mr. Gorbachev and what he is doing in his country.

— THE NEW YORK TIMES.

Not So Reassured

What is it that Americans want of Mikhail Gorbachev, anyway? An accomplished television manner? Personal affability? Professional competence? Command of the basic material? All these things were in evidence in the Soviet leader's interview with NBC. But they hardly slake American curiosity. We suspect that most people were peering at the broad, patient, intelligent face, sifting the words for a sign that behind the warming atmosphere of the summit there lies a firm basis for steadying a relationship that has seen all too many turns and perils. Is there such a sign?

Certainly Mr. Gorbachev contrived an impression that he wants a successful summit. On strategic defense, he stated a more modest position that may approach the more modest one the Reagan administration has been moving toward — positions that look to major early reductions in strategic offense.

On conventional arms, he hinted at a flexibility that could ease anxieties stirring in Europe as a result of the treaty eliminating medium-range missiles, itself a pioneering accord that is due to be signed next week.

On Afghanistan, a test of Soviet interest in reasonable global conduct, he kept alive the opening for a Soviet retreat that has always been the first requirement for a settlement.

Still, most of us were looking for more than positions on issues, central as these are. There is a feeling in the air that Ronald Reagan and Mikhail Gorbachev, unlikely pair, have created a promise whose realization depends greatly on the relatively young man currently at the Kremlin helm. On this score the interview was not so reassuring.

Mr. Gorbachev has the brainpower, but it has not so far been matched by the breadth of experience that might let him shed a characteristic Soviet provincialism. He has some cartoon ideas about America and a hesitation to address before a Western audience the very shortcomings of Soviet society that prompted his "restructuring."

To take Western interest in emigration as a trick to steal Soviet science would be laughable if it were not so wrong and mean. To present the Afghan crisis as "first and foremost" the result of outside interference is at best misleading and evasive.

On television, Mr. Gorbachev can show an undeniable restraint and poise, but these qualities tend to fade when the heat is turned on. That leaves American viewers to conclude that Mr. Gorbachev is tough — which no one doubted, but which is hardly enough in itself to sustain the improved relationship that both sides presumably are reaching for.

So much for the televised Gorbachev. Now comes the real one.

— THE WASHINGTON POST.

Hypocrisy on Hostages

It's a wonder how Charles Redman, the State Department spokesman, kept a straight face when he attacked France on Tuesday for dealing with Iran to obtain the release of French hostages in Lebanon. Mr. Redman's criticism implied that the virtuous United States would never stoop to rewarding hostage-takers.

He spoke without any reference to the Reagan administration's folly in secretly selling anti-tank missiles to Iran in return for hostages. At precisely the same time, the State Department was lecturing Europeans on the need to embargo any such arms sales and to take a tough line on terrorism. It is hard to say which is more offensive, the hypocrisy or the silliness of the words Mr. Redman was obliged to utter.

What France is doing is certainly questionable. To get back two hostages, President François Mitterrand and Prime Minister Jacques Chirac have moved to resume repayment of a billion-dollar debt to Iran incurred before the revolution, and to allow the departure of an Iranian held for questioning about a wave of terror bombings. These concessions surely undercut avowals of the allied democracies at the Venice summit meeting last spring never to make such concessions.

But the French action was not surreptitious and can be openly debated. That was something denied to the American people and their elected representatives. President Reagan waved aside his own supposed scruples, as well as protests by his secretaries of state and defense, to swap missiles for the promised release of hostages.

A State Department official who declined to be named made the right point: "We found out the hard way. What we did hangs over our heads, that's true. But we made it very clear we are never going to deal in that manner again. We learned our lesson." If so, why say so off the record, while making America look ridiculous on the record?

— THE NEW YORK TIMES.

Other Comment

Poles Withhold Confidence

No one has suggested that the voting was not secret, or that the count was rigged. The Russians, even in the age of Mikhail Gorbachev, permitting a free vote in Eastern Europe? A milestone has surely been passed.

The fact remains that General Wojciech Jaruzelski required a 51 percent majority under the hitherto redundant Polish constitution, and failed the test. Poland can now go one of two ways: Either the unholy alliance between the apparatchiks and Solidarity will continue, with the union organization launching a new wave of protest — in which the general might be ousted by a hard-liner. Or Solidarity will take the more sensible course of allowing the bruised but not beaten general to continue his policy of steady liberalization, coupled with a period of long-drawn-out price rises (prices have become the single toughest challenge for Communist rulers everywhere) instead of a short, sharp shock. This seems a fairly dismal prospect for Poles, but they were at least asked.

— The Daily Telegraph (London).

The verdict of veteran dissident Jacek Kuron is both moderate and sage: The referendum result "does not mean that society is opposed to swift economic and political reforms; only that it has no confidence in those who are carrying them out."

— The Guardian (London).

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OPINION

For a Return to Consensus on American Foreign Policy

By Senators David L. Boren and John C. Danforth

Mr. Boren is a Democrat from Oklahoma. Mr. Danforth is a Republican from Missouri.

WASHINGTON — Partisan bickering among those who are supposed to be our political leaders has gone too far. It has become a greater threat to our nation than external pressures from the Eastern Bloc or internal weaknesses in the economy.

Throughout America, and indeed the world, perceptive people see what is happening to us. They do not doubt America's ability to meet difficult challenges once we unite with a common sense of purpose, but they are truly frightened that our leaders are unable to put political differences behind them in a common effort to support obvious national interests.

Since we arrived in the Senate about a decade ago, partisanship within the institution has increased alarmingly. Some partisan one-upmanship may be expected in domestic matters, but it has spilled over into foreign affairs. In consequence, the stable and resolute foreign policy one should expect from the leader of the free world has been undermined by ongoing antagonism and turmoil between Congress and the executive branch of our government.

On the one hand, Congress is alarmed at the freebooting adventurism of a go-it-alone executive, as exemplified by the Iran-contra affair. On the other hand, the executive branch complains that Congress consists of 535 secretaries of state who cannot resist any opportunity to interfere with arms negotiations and to micromanage foreign relations. The result is that mutual suspicion and a state of flux have supplanted the predictability and sense of purpose which characterize a leadership position in world affairs.

Unlike parliamentary systems, our Constitution divides foreign policy responsibility between two independent branches of government. The president is the commander in chief, but Congress gives its advice and consent to treaties and to the appointment of ambassadors. In recent times, Congress has confused this shared responsibility for foreign affairs with incessant and irresponsible tinkering. Routine authorization and appropriations bills have given members almost limitless opportunity to weigh in on everything from the maximum allowable height above sea level for the site of the Soviet Embassy in Washington to the precise manner in which our forces are deployed in the Persian Gulf.

Last year the Senate conducted 20 roll-call votes on aid to the Nicaraguan contras, in an unending effort to fine-tune the precise circumstances in which military or humanitarian assistance might be offered.

An informal meeting could draft a statement of agreed foreign policy principles and explore a system for resolving foreign policy disputes.

During recent consideration of the State Department authorization bill, 86 floor amendments were added dealing with such matters as the proper decorum for motorcades carrying foreign visitors around our nation's capital (e.g. no honking) and the closing of our embassy in Antigua. Most of these amendments had received no committee consideration and little debate on the Senate floor.

This fall, the Senate wrestled for weeks over whether to invoke the War Powers Act in connection with America's presence in the Persian Gulf, and finally decided to defer for two months any judgment on the practice of reflagging and escorting oil tankers.

That sort of vacillation typifies one of Congress's most egregious habits in the field of foreign policy. Whether it is in the Persian Gulf or Central America, SDI or SALT-2 compliance, fundamental questions go unresolved. Everything is seen as subject to future debate. All issues remain on the table, or can be brought back to the table for further consideration. Even the much heralded compromise between Congress and the administration on how to interpret the Anti-Ballistic Missile Treaty was an agreement to put off a resolution of the issue until next year.

The free world looks to the United States for leadership, but who can follow a leader that cannot decide where it is going and that sets out first in one direction and then in another?

In light of the debacle of Vietnam and the Iran-contra fiasco, it is unreasonable for any administration to expect Congress to confer upon it the blind confidence of another Tonkin Gulf Resolution. Yet surely there is room for a modus vivendi between an autonomous executive and a tinkering Congress. The time has come for rebuilding a truly bipartisan foreign policy in which congressional deference in the execution of policy would be offered in exchange for legitimate consultation and trust in the formulation of policy. Congress would agree to restrain its backseat-driver activities in exchange for a role in planning the trip.

The beginning of a new bipartisan foreign policy might be patterned after the efforts of a Democratic administration and a Republican Senate in the post-World War II era. Then, Secretary of State George Marshall, Undersecretary Robert Lovett and Arthur Vandenberg, chairman of the Foreign Relations Committee, met informally at the Wardman Park Hotel to draft a general statement of the principles of American foreign policy. Their meetings formed the basis of Senate Resolution 239, the Vandenberg Resolution, which in turn set the stage for the North Atlantic Alliance and gave added support to the Marshall Plan.

In many ways the now aging and tattered consensus that emerged from those meetings and played a dominant role in American foreign policy throughout the postwar era remains the closest thing we have to a foreign policy blueprint for today. Our generation has not had the will to create a new one.

We suspect that an informal meeting between a limited number of administration and congressional leaders would be able to set forth a broad consensus on the fundamental objectives and principles of foreign policy that could provide the starting point for a new spirit of bipartisanship. What is needed is both a general statement of foreign policy principles in the manner of the Vandenberg Resolution and an ongoing process for working out specific differences as they arise, but before they are ripe for legislative action.

If the views we have expressed make sense, then the question remains: Where do we go from here? The answer depends on what response, if any, we evoke from the administration and members of Congress. We would hope for an informal meeting of no more than a handful of administration representatives and interested members of Congress for the purposes of 1) drafting a statement of agreed foreign policy principles and 2) exploring a system for resolving foreign policy disputes.

If the call is for volunteers to convene such a meeting, then count us in.

The Washington Post.

While Washington Was Getting Tough, Moscow Was Tilting to Iran

By Jim Hoagland

PARIS — The American diplomatic campaign to isolate Iran and compel an end to the Iran-Iraq war is beginning to falter, undermined by secret deals that Tehran has been able to strike in recent weeks with France and the Soviet Union.

As painful as it is to see good in anything that benefits Iran's ayatollahs, this could be a cloud with a silver lining. It may force the United States to look seriously at the big force it has assembled in the Gulf, at an annual cost of $200 million, and determine what it should be doing there.

The American armada has been described in Washington as supporting the diplomatic campaign to pressure Iran to begin peace talks with Iraq or suffer sanctions voted by the Security Council. But these goals appear increasingly difficult to achieve.

"They do not want peace, they want Saddam Hussein's skin," a European official deeply involved in this conflict says of the Iranians, dismissing the idea that Tehran will ever come to a bargaining table with Iraq's ruler. "They want to break Iraq apart. And all the Security Council resolutions will not change that. They are pursuing a dedicated, skillful strategy that will soon outflank the Americans."

The French package deal surfaced last weekend with the sudden release of two French hostages in Beirut and the French decision to allow the departure from France of Wahid Gordji, an Iranian Embassy translator wanted for questioning in a terrorist case. Tehran and Paris are now speaking publicly about moving toward more normal diplomatic relations, broken off last July after Mr. Gordji took refuge in the embassy here.

The arrangement Iran has struck with the Soviet Union is still largely secret, but its outlines are clear for some Western and Arab diplomats. Iran has reportedly cut its support for Afghan guerrilla forces and stopped stirring up religious sentiment among Moslems inside Soviet Central Asia, while the Soviet Union has reciprocated by helping stall a vote in the Security Council on sanctions against Iran.

The Soviets say Iran must be given enough time to provide a clear yes or no to the UN peace proposal that has been presented to both sides. Iraq has accepted the plan, while Iran has said that it neither accepts nor rejects it.

"Destination Beirut or Tehran? With or without baggage? Window or aisle? Smoking or nonsmoking?" — A cartoon by Plantu in Le Monde (Paris) mocking Wahid Gordji's pre-departure interrogation by a French examining magistrate.

Iraq's foreign minister, Tariq Aziz, complained publicly about Soviet support for Iran's delaying tactics in remarks on Monday to British journalists in Baghdad. Such a complaint is unusual for the Iraqis, since Moscow provides about 80 percent of their military hardware. Iraq's only other major arms supplier is France, the other primary target of the new Iranian campaign of diplomatic opening.

A curious aspect has been the American refusal to force a public showdown with the Soviets over the sanctions vote. The United States would then at least profit in the Arab world by having the Soviets' opportunistic deal with Iran exposed to the light of day. The best speculation heard here is that President Reagan hopes to pull a rabbit out of his summit hat in Washington next week and get the Soviets to agree to joint action on an arms embargo against Iran.

But there are no evident grounds for optimism that this will happen, unless Mr. Reagan is prepared to give some commitment to reduce significantly the American fleet now on duty in the Gulf. That would be an important enough accomplishment for Mikhail Gorbachev to justify passing up the advantages that Iran's conflict with the United States now offers the Russians.

But it would also be a major jolt to the Arab states that the U.S. naval force was brought to the Gulf to reassure. They would point to a quick reduction as another sign of America's diminishing power and resolve.

The fleet, in other words, stays in the Gulf because it cannot afford to leave. This circular logic, particularly at the high cost the deployment involves, is a trap rather than an opportunity. It is time to begin, slowly and as invisibly as possible, to draw down the U.S. naval armada. This slow restructuring should leave a force that is larger than the pre-crisis average of three ships but still small enough to be viable for the long term.

The Washington Post.

France's aim was to normalize relations with Iran and get hostages back at an acceptable diplomatic, political, financial and moral price. Iran's was to show that it pays to negotiate, that it can deliver and be rational, realistic. The Iranians were sending a signal to the Western powers that they are willing to moderate their stance, with a view to emerging from the diplomatic isolation that has been increasingly evident since the recent Arab summit in Amman.

The French-Iranian agreement may reflect awareness on both sides of the futility of their diplomatic skirmishes.

For France, normalization with Iran is long overdue. It was attempted with more energy than clarity by Roland Dumas when he was foreign minister in the Socialist government. The present prime minister, Jacques Chirac, has been convinced all along that getting the hostages back would be good electoral politics. But for a long time the price was impossibly high. Iranian demands mounted as the French side stuck to a difficult balancing act — normalizing relations with Iran while continuing to arm Iraq.

The revelations of the Iran-contra scandal, followed by the well received terrorist conviction in France early this year of Georges Ibrahim Abdallah and growing awareness among French authorities that public opinion favored firmness, led to de facto abandonment of the normalization effort. Relations worsened until an escalation of provocations caused a spectacular breakdown of diplomatic relations last summer.

Now the initiative for the breakthrough seems to have been Iranian. This can be taken to mean either that French firmness paid off or that the Iranians obtained the release of Wahid Gordji (strongly suspected by French police of terrorism) for a modest price. The release of all French hostages would answer the question.

In Paris, bureaucratic infighting was evident. As disgust with terrorism and concern for hostages became dominant in French Middle East policy, the Interior Ministry began to take the lead, under the dynamic prodding of Charles Pasqua. The Foreign Ministry and even the presidency were upstaged. The result looks more like successful improvisation than a well controlled master plan.

Meanwhile, the lack of a common European approach to the hostage question is deplorable. The British government under Margaret Thatcher's firm leadership has chosen an uncompromising policy, with the result that British hostages remain prisoners. France has a policy combining firmness and compromise, and has gradually succeeded in getting most of its hostages back. But at what cost?

If Europe wants to be taken seriously in the world some day, it will have to get its act together. In the Middle East, despite the vessels patrolling in the Gulf, Europe does not yet exist.

The writer is associate director of the Institut Français des Relations Internationales. He contributed this comment to the International Herald Tribune.

Beginning of the End of the Cold War?

By James Reston

LONDON — In the days before the Reagan-Gorbachev meeting, a reporter from Washington finds a surprisingly hopeful mood in Western Europe about East-West relations. It is not just anticipation of the first limited agreement to reduce the superpowers' nuclear arsenals. One even hears thoughtful speculation about the beginning of the end of the cold war.

Here, as in the United States, there are differences over the elimination of intermediate- and short-range nuclear weapons, doubts about the leadership of the White House and the Kremlin and anxiety about the economic and financial outlook for 1988. But paradoxically there is also a feeling that the longer-range trends for the remaining years of the century are more positive.

There seems to be more agreement that the danger of war has receded, that there has been a decline in the ideological rhetoric of Washington and Moscow, that limited nuclear arms reduction is proceeding despite conflicts in Afghanistan, Central America and the Gulf region and that consultation among the major nations has improved.

It is true, of course, that three other hopeful periods — after the death of Stalin in 1953, after the Cuban missile crisis of 1962 and during the relaxation of tensions between 1969 and 1972 — proved to be fleeting glimpses of a brighter future, but even during the dark days of 1980 to 1985, Moscow and Washington avoided a major confrontation over regional conflicts.

Two events in recent years seem to account for the revival of hope. The first is the renewal of America's military strength, creating a more stable balance of power, and the second is the emergence of Mikhail Gorbachev in Moscow, returning to the bargaining table with new concessions and calling for a transformation in East-West relations.

At the same time, NATO has held firm despite pressures from Moscow. And the United States has formed a closer relationship with the new and more flexible leaders in China and, despite trade differences, with the new government in Japan.

None of this would seem to justify the talk in Europe about the coming of a more stable world order in the last years of the century. There are serious observers here and on the Continent who see the forthcoming medium-range treaty as a dangerous trap favoring Moscow's conventional military superiority, and others who interpret Mr. Gorbachev's rhetoric as merely a clever shift in tactics.

But both powers face domestic economic problems that require budgetary restraints; both are acting defensively in the face of dangerous confrontations. On the 70th anniversary of its revolution, Moscow seems to have concluded that its efforts to establish a strategic advantage have failed for the time being. This in turn requires a more cautious policy in dealing not only with America but also with China, Japan, Western Europe, Israel and the Third World.

The United States has been forced to reappraise its economic and financial policies in the light of the Wall Street crash and the budget and trade deficits. And the Iran-contra scandals have compelled a change in the administration's attitudes toward covert warfare in the world and covert politics on Capitol Hill.

In short, the present climate, at least seen from here, encourages a new period of analysis and change. What started only a few short years ago as an ideological conflict between Washington and the "evil" Soviet empire, and with threats out of Moscow to "bury" the capitalist world, has shifted to a more normal clash of national interests.

Both powers have learned that they cannot do as they wish, even in their own spheres of influence. Mr. Gorbachev has had to loosen his ties with the Communist states of Eastern Europe, and Mr. Reagan has not been able to get the consensus he wants for a continued military build-up on Earth and in outer space, or even in Central America.

In fact, it is now fairly clear that the Western allies will not go along with the cold war attitudes of the first Reagan administration, and this explains their approval of the coming Reagan-Gorbachev talks.

Observers here do not regard this summit meeting as the culmination of a limited nuclear treaty. That will merely reduce the nuclear arsenals of the superpowers by 4 percent. But they see it as an opportunity for discussion of the philosophical and political conflicts that led to the arms race in the first place, and even as a chance to establish continuing talks on new rules of conduct for international relations.

In sum, the era of confrontation between the superpowers abroad and between the political parties at home over the conduct of foreign policy has not worked as any of the contestants hoped. Now it seems, at least to the optimists here, that a new period of consultation and cooperation — difficult and protracted — may be at hand.

The New York Times.

Thatcher on Gorbachev:

The following are excerpted replies by Prime Minister Margaret Thatcher during an interview conducted at 10 Downing Street by Jas Gawronski, an Italian journalist and member of the European Parliament.

On negotiating with the Soviets: You do not give anything unless you get something in return, because you do not judge anyone by what they say but by what they do. You go in very carefully, very well prepared, having thought out all of the arguments with which you might be faced and knowing how you will counter them, how you will deal with them, how far you can go and no further.

On Mikhail Gorbachev: I think he is quite different from any other Soviet leader I have ever known. When you meet him you can discuss with him just as you and I are discussing together, easily, without strict reference to briefs. So often when you talk to ministers from the Soviet Union, they have to follow a brief in detail. It is very dull. You ask questions and they do not answer them. Mr. Gorbachev does. You can get involved in a real discussion, a real argument, and that is very valuable.

On whether Mr. Gorbachev can be trusted: I think you build up some kind of trust. I choose my words carefully. I think when he tells me that he will, for example, try to let certain people out of the Soviet Union, then he will in fact do it and in fact he has — particular names that I have put to him. And so I have, in personal cases, a good deal of trust in what he says, and when he told me, when I went to the Soviet Union, that I could broadcast and that it would go out, it did.

On prospects for Soviet change: He does want to make changes. They are bold, they are courageous and that I greatly admire, and I hope he succeeds. One has to remember, nevertheless, that he is constrained by the Communist system. There is a big bureaucracy, and even in the Soviet Union he has to carry a lot of people along with him in the changes he wants to make. I do not think the Soviet system is ever going to change to be a real democratic system in my lifetime.

International Herald Tribune.

France Improvised As Europe Slept

By Dominique Moïsi

PARIS — It is hard to review a play before the final act. In any case, the normalization process between France and Iran has been sufficiently intricate — or confused — to warrant the reviewer's caution.

In France, last weekend's dramatic developments — the release of two more French hostages and the end of the "embassies war" — provoke a mixture of satisfaction, perplexity and concern for democratic principles and the independence of the judiciary.

One question should dominate, if you buy the notion that it is all right to deal with an outlaw state: Is the compromise balanced in mutual interest? Has all this bazaar wrangling benefited one side more than the other?

100, 75 AND 50 YEARS AGO

1887: Russian Nihilists

BERLIN — The Boersen Courier publishes [on Dec. 2] a telegram from St. Petersburg stating that meeting places of nihilist conspirators and laboratories for the manufacture of dynamite have been discovered by the authorities in the Wassili, Ostrou and Peski quarters of the capital. On the conspirators in the Peski quarter being surprised by the police, an encounter took place, which was attended by serious bloodshed.

1912: German Policy

BERLIN — Predicting an amicable solution satisfactory to all the Great Powers, but with a cautious hint of Germany's role in case of unexpected European complications, Herr von Bethmann-Hollweg, Imperial Chancellor, reviewed the Balkan situation in the Reichstag [on Dec. 2]. "Should there result — which we do not hope — insolvable antagonisms, it will then be a question for the Power directly interested in each particular case to assert its claim. This also applies to our allies, but should the in the assertion of their interests against all expectations be attacked by a third party and their existence threatened, we would then have to come . . . to their assistance." Allusion to Russia's rumored readiness to attack Austria-Hungary in defense of Servia, in case of a conflict, was seen in the tone of the address.

1937: Prisoners Traded

MOSCOW — The crews of the Soviet merchant ships Komsomol and Smolodovich, who were captured by the Spanish Nationalists, have been exchanged for 44 Germans arrested in Russia on charges of espionage, according to a reliable source. The Germans, who had been detained for months in Kiev and Kharkov, are stated to have crossed the frontier on their way back to Germany. Several hundred Germans remain under arrest in the Soviet Union.

OPINION

Take It From the Sourpuss, Gorby Fever Is Bad for You

By William Safire

WASHINGTON — The Gallup Poll reveals that twice as many Americans have a "favorable opinion" of him as have an unfavorable view of him. That is a stunning tribute to the skill of Soviet propaganda, and dismaying evidence of the power of American wishful thinking.

Count me among the shrinking minority that neither likes nor trusts Mikhail Gorbachev, especially after his hourlong televised exhibition of obsequious arrogance, cunning manipulation, evasive bullying and outright dishonesty.

"You cannot impose the minority's view on the majority," lectured the totalitarian. "Democracy is, after all, the rule of the majority." This from the head of a nation that crushes internal dissent and frustrates with tanks any move toward free elections in the countries it rules.

"They appealed to us," he explained about sending 110,000 Soviet troops into Afghanistan to occupy that independent neighbor and rain death on tens of thousands of Afghans. "Meeting their desire, we introduced our limited Soviet contingent of troops." Such constancy in falsity is called the Big Lie.

He showed nothing but scorn for Americans who express concern about the families being persecuted for daring to ask to leave the Soviet Union. "What they're organizing is a brain drain. And of course we're protecting ourselves."

Forget all that, say Americans afflicted with Gorby fever. He has to take those positions to block the Kremlin hard-liners. He's ebullient, reformist, different from those nasty Soviet leaders of the past. Sure he's a tough Commie, and yes he cut out CBS because Dan Rather is too tough on Afghanistan, but Gorby's making real changes; by helping him, we help the cause of peace.

That hopeful assessment, apparently held by most Americans, puts those of us who doubt the Kremlin's intentions in the role of "unreconstructed hawks" unwilling to take a chance for peace.

Look, maybe history is passing us by, and years from now we will be regarded as foot-draggers and sourpusses. But consider the possibility that our distrusting assessment has merit. Open your minds to the chance that Mr. Gorbachev and his KGB faction are deft tacticians whose purpose has not swerved from the long-term Soviet goal of world domination.

In that case, it would serve his purpose to buy time for economic restructuring of a corrupt system long dominated by the party faction. It would help him to stimulate high-tech trade, to launch Détente II to allow the U.S.S.R. to catch up technologically, just as Détente I enabled it to pass America militarily.

Most important, Soviet strategic superiority would be achieved if the United States could be bluffed out of its goal of a nuclear shield while Moscow keeps a significant advantage in missiles — or secretly presses ahead with its own space defenses. Certainly everything the Soviet side has done to date has been aimed at preventing America from building its shield. Mr. Gorbachev has accepted proposals on the one area of equality, medium-range missiles; but on the two areas in which the Russians are stronger — strategic missiles and conventional arms — he will not deal until he can break the U.S. resolve to test "star wars" defenses.

Everything points now to excruciating pressure by the burgeoning Mr. Gorbachev on the debilitated President Reagan at the fourth summit conference, in Moscow next summer. Wishful thinkers in the United States, dovish candidates on the stump, U.S. negotiators with treaty-itis, a media enamored of Mr. Good Interview in the Kremlin — all will agitate mightily for removal of the "obstacle."

America's beaten-down president will probably find a face-saving way to fold, unless — a big unless — the sourpusses and naysayers at home, immune to Gorby fever, threaten to raise such a persuasive ruckus that none of the treaties would be ratified. Countervailing pressure from the distrusting, disliking right is essential to a solid deal.

That is when a suitable compromise can be reached permitting testing without secrecy and reducing missiles and armies.

If history proves that Americans who like Gorby were right to trust their hopes, nothing will have been lost by hanging tough. If the crowd that distrusts him turns out to be right, and makes its influence felt, then the greatest danger to world freedom will have been averted.

The New York Times.

Questions for Reagan

DOES the treaty actually eliminate the Soviet Union's INF missile infrastructure and capacity?

Is the Soviet-supplied data complete, consistent and compatible with U.S. intelligence estimates of treaty-limited systems and activities?

Does the treaty language have important ambiguities or loopholes or provisions that otherwise might lend themselves to future debates about meaning and interpretation?

Is there an effective on-site inspection regime for suspect facilities?

If the answer to one or more of these questions is no, by finding it out now — before you sign the treaty — it is possible to seek adjustments with the Soviet Union and avoid these issues becoming a matter of Senate debate and amendment.

So, if it comes to that, "Just say no." The United States will not accept another unverifiable arms control agreement.

— From an open letter to President Reagan in The Washington Post by Frank J. Gaffney Jr., until recently assistant secretary-designate for international security policy at the Pentagon.

'Where are those medium- and short-range missiles when we really need them?'

LETTERS TO THE EDITOR

In Defense of the Japanese

Regarding "Japan Is On the Right Side, but Chinese Are More Fun" (Nov. 20):

I was disappointed by William Safire's diatribe against Japan. What kind of nonsense is this — our side/their side, friendly/grumpy taxi drivers — as social or economic analysis?

As for the Japanese market being artificially propped up: There is a limit to how much and how long that can be done, and the Japanese market, many predict, is heading for a big fall.

Mr. Safire blasts the Japanese rice lobby, failing to mention that subsidized farming is an international phenomenon. He says Japanese construction costs are high because foreign competitors are excluded. Perhaps, but is the American construction industry so open and corruption-free that he is free to cast stones?

Far from scorning America's lifestyles, as the writer claims, many Japanese — like most people around the world — seek to emulate Americans' prosperity. They do it by working long hours, at lower than American wages, with highly integrated teamwork and with fundamental respect for their work and the work of others. The result is higher quality and more innovative and less expensive products than Americans can buy from American industry.

This is the root of the trade imbalance. Americans would do better to address it than to declare a protectionist trade war. That could only hurt the American consumer, and ultimately industry, and cause deep suffering in Japan. Or perhaps a poor Japan would be almost as much "fun" as China?

KAREN BERLIN ISHII.
Zurich.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

Asia Has Office Games, Too

Office games are not confined to Hollywood *(Letters, Nov. 11)*. Although I never visited Yasuhiro Nakasone's prime ministerial office, the office he had as an ordinary Diet member sported a door just 6 feet high (1.82 meters). Any *gaijin*, or foreigner, more than 6 feet tall either had to bow as he entered or suffer a sharp knock on the head. It was said by Mr. Nakasone's staff that the boss designed the door for precisely this result: Tall gaijins must either bow or be punished.

South Korea's late President Park Chung Hee stage-managed a visitor's bow in a different way. He would bow very deeply as a foreigner entered but then snap upright. A strategically placed photographer would take the formal picture just as the visitor returned the bow. Photos in the following day's newspapers showed the foreigner, who was usually taller than Mr. Park, in a humble posture, with the Korean towering over him.

ANTHONY PAUL.
Hong Kong.

Germany Didn't Need It

Regarding "The October Revolution: Let History Pass Judgment" (Letters, Nov. 25):

R. Nayar manifests what he imputes to William Pfaff, "lack of historical sense," by asserting that "the modicum of democratic reform represented by the Weimar Republic was owed in no small degree to the Bolshevik example." Nothing could be further from the truth.

The Weimar constitution, as shown by its history, was meant precisely to stave off Bolshevism. Its initiators and framers (Friedrich Ebert, Hugo Preuss, Max Weber, Friedrich Naumann, to name a few) were firm believers in parliamentary government and civil rights. They were inspired by, among others, the ideas of the 1849 Frankfurt Constitution, the Eisenach Program of 1891 of the Social Democratic party. Their opposition to the "Prussian militarist ethos" did not need assistance from the Bolshevik October Revolution.

JOACHIM von ELBE.
Bonn.

A Referendum of Sorts

Desperate men would rather kill and be killed in order to stay in a Yanqui prison than go back to Cuba — even though Fidel Castro promised that no reprisals would be taken. So much for the "fruits" of the Cuban revolution.

JACK JOLIS.
Brasschaat, Belgium.

A Missionary Approves

Thank you for printing Roger Morris's "Evangelism Is an Old Story That Needs More Attention" *(Meanwhile, Nov. 3)*. As a missionary myself, I found the article to be extremely well written and its content excellent.

WENDELL L. GOLDEN.
Kinshasa, Zaire.

While the Russian Smiled, Cynicism Seemed Less Chic

By Tom Shales

WASHINGTON — He looked like a guy who could tell a good joke, or play a mean game of poker. "A Conversation with Mikhail S. Gorbachev," Monday night's exclusive NBC News interview, gave Americans their most intimate and penetrating look yet at the Soviet leader — indeed, probably the best American television close-up of any Soviet leader ever.

Mr. Gorbachev seemed assured, relaxed and amiable in the interview, conducted at the Kremlin on Saturday by anchor Tom Brokaw. The two men sat across a small table, with notes and two green teacups before them. The interview ran for an hour, with no apparent edits and no commercial breaks. What mattered was not that it contained blinding revelations, which it did not, but that it transpired at all, a fact that had to be some sort of significant stride.

MEANWHILE

When, in response to questions about the coming Washington summit and the possibilities for reducing nuclear arms, Mr. Gorbachev said through his interpreter, "There are real prospects ahead of us," the idea that a nuclear treaty with meaning might actually be signed next week began to sink in. Cynicism became at least momentarily less chic. You look for signs of hope; here was one.

Mr. Gorbachev proved a far cry from the last really charismatic Soviet leader to get much American television exposure, Nikita Khrushchev. Mr. Gorbachev never looked irked or affronted by the questions. Even after Mr. Brokaw repeated one and he said "I think I have answered your question in toto," he was smiling.

It is a disarming smile. Maybe even a disarmament smile.

Gorby fever!

Naturally there was much in what Mr. Gorbachev said to inspire skepticism, if not outright hoots. It is hard to keep a straight face when a Soviet leader says, "We cannot, however strong we might be ... dictate our values or impose our way of life upon others." Or when he says, on the subject of Soviet Jews denied the right to emigrate, that "only those who cannot leave because of state security reasons" are denied exit visas.

Apparently the most newsworthy item in the interview was his admission that the Soviets are researching their own equivalent of Ronald Reagan's SDI. This wasn't anything Mr. Brokaw cleverly pulled out of him. In fact Mr. Brokaw glossed right over the possibility of a Soviet SDI while leading up to a question on Afghanistan. Mr. Gorbachev had to steer him back to the news.

The "star wars" scoop was the only nugget from the interview that made the ABC and CBS evening newscasts earlier that night. (NBC had released transcripts in advance.) Dan Rather cited it and credited "an interview with Tom Brokaw of NBC News." So did Peter Jennings on ABC. Neither CBS News nor ABC News has been able to obtain its own Gorbachev interview. CBS was turned down flat by the Russians.

On "NBC Nightly News" the interview was of course lavishly ballyhooed, in six minutes of excerpts at the start of the show and a two-minute feature piece at the end. NBC News has a promotion machine second to none, and it was in high gear for the Gorbachev coup.

Mr. Gorbachev must know he is charming, because he attempted to beguile Mr. Brokaw on a number of occasions. He began one answer by saying, "Mr. Brokaw, you will not be offended if I'm forthright and say that I assume that I have a very educated man sitting across the table from me, and a very well informed one." Mr. Brokaw lapped that up.

Later Mr. Gorbachev suggested that a question about the Soviet farm crisis had been slipped to Mr. Brokaw by President Reagan. Mr. Brokaw grinned and said, "No, this information is widely available in America to presidents and humble reporters alike." Humble reporters? Gimme a breakski!

It really was a mutual bull session, when you come right down to it. But the chance to observe Mr. Gorbachev at close range carried undeniable fascination.

For NBC, however, the victory has its Pyrrhic side. CBS was turned down, the Kremlin indicated, because Mr. Rather and colleagues have been too tough on the Soviets over their brutal policies in Afghanistan. NBC News must feel a certain stigma in being deemed the network that Moscow considered the safest.

If only Mr. Brokaw had had the guts to ask, "Why did you agree to talk only to one network and not to all three?"

He made a specific reference to NBC early in the hour, and near the end referred to the audience as "my American viewers," suggesting that the propagandistic opportunities of the appearance were anything but lost on him. He must surely have read, too, about Mr. Reagan's skillful uses of television to obtain direct access to the American home.

Gorby, however, is no Gipper.

The Washington Post.

He Had It His Own Way

THE Soviet leader filled the screen. We may not remember exactly what he said, but it is hard to forget how he said it. Self-confidence was exuded in gusts. Mikhail Gorbachev knows how to use television. He was not so much the subject of an interview as the star of his own production. NBC was correct in calling the program "a conversation" and not an interview. An interview, especially one with a political figure, has hints of an adversarial proceeding.

—John Corry in The New York Times.

SCIENCE

IN BRIEF

The Two Faces of Vincent Van Gogh

CHICAGO (UPI) — When art aficionados view Vincent van Gogh's "Irises," they see a brilliant depiction in oil of a bed of purple-blue flowers. When investors examine the canvas, they see $53.9 million. But when psychiatrists pore over the angry brush strokes and aggressive composition, they see a deeply disturbed individual.

At a meeting of specialists treating multiple personality disorders, Dr. John C. Curtis of Dalhousie University in Halifax, Nova Scotia, presented evidence that van Gogh suffered from either a split personality or a mood disorder so severe it often made him behave like two different people.

Like the psychiatric prospectors before him, Dr. Curtis bases his hypothesis on a reading of five volumes of van Gogh's letters. A temperamental artist who spent much of his last two years in an asylum, van Gogh suspected something was wrong. He wrote to his sister of fainting spells and blackouts in which whole spans of time would be lost to him.

British Cold Unit Closes Without Cure

LONDON (Reuters) — After 40 years of paying people to get sick, a group of British medical researchers is giving up its quest for a cure for the common cold. For the past four decades the state-funded Medical Research Council has given volunteers a two-week holiday at a former U.S. military hospital in the southwest county of Wiltshire.

The volunteers were paid a daily allowance and expenses for having a virus or placebo dropped into their nostrils, but only about a third caught colds.

Now the Common Cold Unit, still without a cure, has announced it will close when its director retires in 1990, giving the council an annual savings of £500,000 ($913,000).

True or False? Anatomy of a Smile

SAN FRANCISCO (NYT) — The false smile has been unmasked by research identifying the different muscle patterns in smiles that reflect true delight and those that mask displeasure. The research may be of particular importance to physicians or psychotherapists who need to know when a person is trying to hide pain or anguish. It holds interest for anyone who wants to tell if a smile may be lying.

Dr. Paul Ekman, a psychologist who directs the Human Interaction Laboratory at the University of California, has, with Wallace Friesen, developed a technique for analyzing patterns made by more than 100 face muscles as a person changes expression. With their method, they are able to determine precisely which of those muscles is at play when the face takes on a given emotional expression.

In the study, real smiles differed from those that hid unhappy feelings on two counts. In spontaneous smiles, the cheeks move up and the muscles around the eyes tighten, making crow's feet. In the false smiles, however, the face reveals traces of unhappy feelings behind the smile — for instance, a slight furrowing of the muscle between the eyebrows — that can be seen apart from the supposed expression of pleasure. The eyes will not develop crow's feet unless the smile is especially broad.

100,000-Year-Old Human Blood on a Stone

By John Noble Wilford
New York Times Service

DARK brown stains preserved on a 100,000-year-old stone cutting tool have been identified as the remains of human blood, the oldest human blood ever analyzed. Scientists believe the discovery, though tainted by controversy, points to a new means of exploring early human life.

The blood could be that of a Neanderthal human, although archaeologists say they cannot be sure. Nor do they know how the blood got there.

For scientists there are two stories: the finding itself and the history of dispute and suspicion that have dogged the research for several years.

The tools were discovered 35 years ago in Iraq, and the bloodstains were noticed three years ago and declared human by a Canadian scientist. His methods and conclusions were attacked as faulty, but new and widely accepted techniques have reaffirmed the conclusion that the blood is human.

The new analysis determining the presence of human blood was conducted by Jerold M. Lowenstein, a clinical professor of medicine at the University of California at San Francisco, who is a specialist in applying biochemical techniques to evolutionary problems. He used a technique known as radioimmunoassay, which is considered especially reliable for identifying proteins in fossils and other organic tissue.

The bloodstain on the stone tool, Dr. Lowenstein said last week, "turned out to be definitely human."

Success in extending the analysis of prehistoric blood back so long ago suggests a new means of studying the genetic relatedness of early species and tracing the course of human evolution. The place of extinct species on the family trees of living organisms has previously been determined on the basis of anatomy, as revealed in the fossils of bone, shell or teeth.

"This has tremendous possibility as a direct way of studying extinct creatures on a molecular level," Dr. Lowenstein said. "We've never been able to do that with extinct species."

A comparison of proteins and gene molecules in living species has, for example, revealed the close relationship among humans, apes, gorillas and chimpanzees.

Now that it has been demonstrated that blood can survive at least 100,000 years, Dr. Lowenstein said, scientists should be able to make similar comparisons involving extinct species. One of the disputed issues in human evolution is whether Neanderthals were Homo sapiens, part of the lineage of modern humans, or the final remnants of the precursor Homo erectus species.

Dr. Lowenstein said the tests he conducted were not capable of determining fine genetic differences between the toolmakers and modern humans. If other proteins that evolve more rapidly were to be examined in new tests, he said, scientists "might be able to distinguish between subspecies of humans." If white blood cells can be found preserved in the samples, scientists might be able to extract mitochrondial DNA, genetic material that mutates rapidly and thus is useful in studying evolutionary histories of species.

Finding the prehistoric human blood seemed to vindicate Thomas H. Loy, the Canadian scientist who originally examined the stains and pronounced them to be human. However, Dr. Loy's career is under a cloud, in part because, according to scientists who had worked with him, his methods and results were suspect. Last May, he was dismissed from the staff of the Royal

AP

Tool shows traces of blood.

British Columbia Museum in Victoria. His dismissal is being appealed.

James C. Haggarty, chief of the human history section at the museum, said he could not comment on the circumstances of Dr. Loy's dismissal because of the appeal. He said that an independent team of university scientists had reviewed Dr. Loy's work before the dismissal.

Repeated attempts to reach Dr. Loy by telephone were unsuccessful. He is a visiting fellow at the Research School of Pacific Studies at the Australian National University in Canberra.

Doubts about Dr. Loy's research point up a thorny problem in the dissemination of scientific findings: when and how to alert other scientists of questions concerning the validity of previously reported research results.

Only the few scientists familiar with Dr. Loy's work were aware of his dismissal. Dr. Haggarty said that the museum had a responsibility to inform other scientists if reported research turned out to be invalid but, he added, this "should not precede a fair hearing."

Meanwhile, an article in the Nov. 5 issue of the British journal Nature reported that new techniques developed by Dr. Loy "have led to the discovery of Neanderthal blood on a stone tool" from Iraq. The article, by Paul G. Bahn, who is a British writer on archaeology, made no reference to any doubts about Dr. Loy's work.

Scientists were impressed and excited by the first report of Dr. Loy's blood analysis. In a report published in the June 17, 1983, issue of the journal Science, Dr. Loy said he had identified the blood residues of animals surviving on ancient stone knives found in Canada. His method was to crystallize the hemoglobin in the blood and compare it with crystals prepared by the same technique from modern control blood smears of known species.

After this report, according to Dr. Lowenstein, Dr. Loy twice brought samples of the Canadian stone weapons to Dr. Lowenstein for an independent examination. The California scientist's testing technique produced similar, confirming results.

But the Nature article reported that Dr. Loy had abandoned his original hemoglobin crystallization method, replacing it with a system for separating and identifying immunoglobin, the second most common protein in blood serum.

Later, archaeologists at the Oriental Institute of the University of Chicago who had read of Dr. Loy's work invited him to inspect some stone tools in their collections. Robert J. Braidwood, an emeritus professor at the university, recalled that Dr. Loy borrowed several specimens for analysis. Andree Wood, a research assistant on the institute's prehistoric project, has recovered blood from such tools, which were excavated in the 1950s by archaeologists working with Dr. Braidwood at a site in Iraq known as Barda Balka. Geological clues indicated that the tools were about 100,000 years old.

Of the 25 tools he analyzed, according to the Nature article, Dr. Loy reported obtaining positive reactions for the presence of human immunoglobin on 18.

In June 1985, Dr. Lowenstein recalled, Dr. Loy asked him to analyze two of the Barda Balka specimens. Dr. Lowenstein's radioimmunoassay technique had become widely accepted among scientists. It had been applied to detecting and identifying proteins in Egyptian mummies and the fossil bones of 20,000-year-old Cro-Magnon humans as well as human ancestors at least 1.9 million years old.

For the stone-tool tests, Dr. Lowenstein said, he took antibodies to human albumin, the major protein in blood serum, that had been produced in rabbits stimulated by periodic injections. These antibodies will react most strongly with human albumin, will react weakly with other albumin of primates such as chimpanzees and gorillas and will react more weakly, or not at all, with that of other mammals. A strong reaction thus is evidence that the substance being tested is human.

Dr. Lowenstein said he got a reaction at all in tests on the blood from one tool, but a strong positive reaction from the other.

"I became suspicious very, very early," Dr. Lowenstein said, recalling his working relationship with Dr. Loy. "He would never tell me his results. He wanted to know our results before he would tell us his."

Despite the controversy, Dr. Lowenstein emphasized that the blood on the stone tool was human and that more detailed studies of more artifacts will "open up tremendous possibilities for getting prehistoric genetic information we've always dreamed of."

Alzheimer's: The Decline Of an Artist

New York Times Service

ALZHEIMER'S disease destroys minds, but there have been few opportunities to study the disorder's impact on artistic creativity, one of the highest expressions of the human mind.

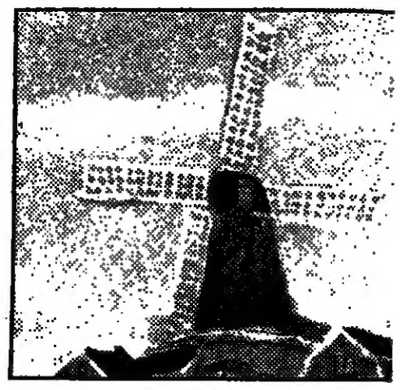
Now two California researchers studying the work of an artist believed to be afflicted with the disorder have found insight into the apparent course of the disease and the neurological basis of creativity.

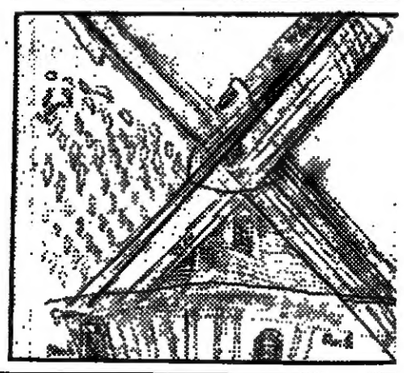
The researchers, Dr. Jeffrey L. Cummings of the University of California and Dr. Judy M. Zarit of the University of Southern California in Los Angeles, reported in the Journal of the American Medical Association on a painter who began to show signs of Alzheimer's disease in his late 60s.

When examined at the age of 74, he could not remember words three minutes after they were addressed to him. He was able to copy complex abstract figures, but his artistic ability had deteriorated.

A painting completed at the time behavioral changes were first apparent shows good perspective, color sense and attention to detail. A second, done seven years later, shows deterioration of all of these qualities, but retains some artistry. In a third picture, a sketch of the same subject done two years after that, the artist could only copy gross details from previous paintings.

Testing over several years indicated that he first lost motivation, memory and organizational ability, while visual perception and the physical ability to draw lasted longer.





Deterioration in drawing, from top: A windmill painted near the onset of Alzheimer's disease symptoms, the same scene painted again seven years later, and a sketch done two years after that.

Data Comparing Contraceptives Is Misleading, Biased, Defective

By Gina Kolata
New York Times Service

THE available data on the comparative effectiveness of different contraceptives is misleading and only marginally useful in helping people choose which method to use, according to a new study and a growing number of health experts.

The new study cited defects in the way previous studies have been done. The researchers said the data usually reflect a bias in favor of the pill and the intrauterine device.

The finding is important because women make their decision on which contraceptive to use after weighing two factors: the side effects of a particular contraceptive and its presumed efficacy.

The researchers, Dr. James Trussell and Dr. Kathryn Kost of Princeton University, are calling for a new effort to examine the relative efficacy of contraceptives.

Their report was published in the journal Studies in Family Planning.

"Right now," Dr. Trussell said, available data on contraception is "a giant castle built in sand."

There is no doubt that the methods vary somewhat in how well they prevent pregnancy. The pill is usually ranked first, followed by the IUD and then condoms, diaphragms, foam and other methods. The Princeton researchers said they guessed that the pill was, in fact, the best, but they said that no one knows how much better than the IUD it is, or whether both methods are more effective than some others.

It is likely, the researchers said, that all the methods are extremely effective and they differ most in whether they are being used properly and consistently. The pill, for instance, tends to be used consistently, while the diaphragm is used less consistently.

It is more important for women to select a contraceptive they will use consistently than to choose one, according to published data on its efficacy, they said.

Dr. Trussell and Dr. Kost said they arrived at their conclusions after reviewing the hundreds of papers on contraceptive failure.

One problem, the scientists said, was that the studies usually failed to follow up on women who dropped out of the research. The number of women lost to follow-up was frequently several times larger than the number who became pregnant, making the data impossible to interpret, Dr. Trussell said.

The studies also failed to determine the effectiveness of methods for ideal users — those who used the contraceptive correctly and in every instance of sexual intercourse.

Contraceptive Choices

Methods selected by U.S. women aged 15-44 who use contraception. Data are latest available, from 1982.

Sterilization	34%
Pill	30%
Condom	13%
Diaphragm	9%
IUD	8%
Periodic abstinence	4%
Other methods	less than 2%

Source: The National Center for Health Statistics

The New York Times

But there is at least one solid finding, according to Dr. Trussell and Dr. Kost. Recent studies of the contraceptive sponge indicate that it is far less effective for women who have borne children than for women who have not. In a study in the United States, 28.3 percent of the women who had had babies became pregnant in the first year, while 13.9 percent of the childless women did.

The most likely reason, Dr. Trussell said, is that the sponge is made in just one size and it is too small to protect women whose cervixes were enlarged by previous childbirth.

A universal drawback of the contraception studies, the scientists said, is "selection bias." Women who are most anxious to avoid pregnancy will select methods they believe are most effective, so the group using pills, for example, is always more motivated to use the method correctly than those using contraceptive foams. Even if the foam were just as effective as the pill, more women using foam would become pregnant.

Study drop-outs can also introduce serious error, according to the researchers. Dr. Trussell and Dr. Kost noted that "it is not uncommon for 15 percent of women simply to disappear from the trial without the investigators being able to determine whether or not they became pregnant."

Dr. Trussel noted that one study of contraceptive foams reported that only 4.3 percent of the women became pregnant in 20 months. However, 16 percent of the women dropped out and it was unknown whether they were pregnant. Dr. Trussell calculated that if just 2% percent of those drop-outs were pregnant, the failure rate of the foams would be double that reported by the investigators.

Dr. Trussell also noted that it was nearly impossible to determine how effective a contraceptive is if it is used at every instance of sexual intercourse. The reason, he said, is that there is no way of independently verifying how correctly a contraceptive is used.

The researchers were dismayed, however, by old and unreliable studies of the condom, particularly since condom use is gaining again because condoms offer some protection against infection by the AIDS virus.

Yet, said Dr. Trussell, "it is extremely hard to find any modern studies of condoms. How effective are they? How often do they break? No one knows."

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
OhioEd	114753	19½	19⅛	19⅛	+ ⅛
TexUtil	20058	28	27½	27¾	— ¼
GenEls	17030	42¼	41¾	41¾	— ⅜
HutEF	14963	28	26¾	27½	— ⅜
Brnwk s	15630	12⅜	11⅞	11⅞	— ⅜
EKodk s	14267	46⅝	45	45¾	+ ⅛
WolWl s	13650	22½	22⅛	22⅛	— ⅜
IBM	13434	112⅛	110¼	110⅝	— ⅜
AT&T	13166	27½	26⅝	27½	+ ⅛
Chrys s	12165	21¾	20¼	21	+ ½
Exxon s	11467	37¾	36⅛	37¾	+ ¾
PSEG s	11014	22⅝	22½	22⅝	
AMD	10724	9⅛	8⅛	8⅝	— ⅜
Navistr	10687	4⅛	4	4⅛	+ ⅛
vlTexaco	10524	33½	31⅛	33	+2

Market Sales

NYSE 4 p.m. volume	148,890,000
NYSE prev. cons. close	179,842,540
Amex 4 p.m. volume	10,840,000
Amex prev. cons. close	109,075,400
OTC 4 p.m. volume	111,850,700
OTC prev. 4 p.m. volume	72,520,800
NYSE volume up	46,345,500
NYSE volume down	2,654,700
Amex volume up	3,520,900
Amex volume down	n.a.
OTC volume up	n.a.
OTC volume down	

NYSE Index

	High	Low	Close	Ch'ge
Composite	131.52	130.02	131.21	+0.71
Industrials	156.57	154.61	156.14	+0.99
Transp.	119.21	110.99	112.19	+0.50
Utilities	67.72	67.19	67.70	+0.17
Finance	111.61	110.84	111.51	+0.39

Wednesday's NYSE Closing

Via The Associated Press

AMEX Diary

	Close	Prev.
Advanced	252	239
Declined	375	391
Unchanged	243	254
Total Issues	870	884
New Highs	3	1
New Lows	56	65

NASDAQ Index

	Close	Ch'ge	Week Ago	Year Ago
Composite	305.22	−0.07	317.78	343.04
Industrials	304.17	−0.07	318.90	345.05
Finance	395.88	−0.43	407.95	476.17
Banks	375.58	−0.93	384.65	421.30
Insurance	348.90	−1.33	358.95	424.03
Utilities	321.24	+2.18	325.84	333.52
Transp.	285.73	+1.45	293.58	348.71

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
TexAir	3569	10⅝	10	10	— ⅜
Beard	2861	14	13½	13½	— ½
SPI Hd pf	2243	17½	17	17½	+ ⅛
EchB s	2130	24⅝	23¾	23¾	+ ⅛
LorTel	2030	8⅝	8⅛	8⅝	— ⅛
ICH	2001	7⅛	6⅝	6¾	— ⅛
WangB	1897	19⅝	18⅛	19⅝	+ ½
Hastr s	1844	12⅛	11½	12	+ ⅛
FAusPr	1496	8⅛	8	8⅛	
RHSou s	1434	9⅝	9⅛	9⅝	— ⅛
AmRity	1386	4⅝	3¾	3¾	— ⅛
Forstl	1210	17½	16	17½	+ ⅛
NY Time	1201	26¾	25⅝	26⅝	+ ⅛
WdlaW	1201	13⅝	13⅛	13⅝	+ ⅛
Amdahl	1173	28⅝	27⅝	27⅞	+ ⅛

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	86.44	+0.25
Utilities	84.44	+0.04
Industrials	86.83	+0.43

NYSE Diary

	Close	Prev.
Advanced	752	819
Declined	759	771
Unchanged	470	383
Total Issues	1980	1973
New Highs	1	1
New Lows	95	66

Odd-Lot Trading in N.Y.

	Buy	Sales	*Sh'rt
Dec. 1	271,789	464,534	1,925
Nov. 30	449,003	597,745	8,156
Nov. 27	168,160	261,670	2,424
Nov. 25	273,140	389,307	2,095
Nov. 24	265,394	483,279	1,215

*Included in the sales figures

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	1842.67	1871.52	1825.37	1848.97	+ 6.63
Trans	694.86	708.39	686.39	702.43	+ 0.28
Util	176.86	178.22	175.36	177.51	+ 0.03
Comp	681.45	691.48	674.12	684.61	+ 3.09

Standard & Poor's Index

	High	Low	Close	Ch'ge
Industrials	268.19	262.08	266.76	+1.21
Transp.	179.31	175.70	178.74	+1.04
Utilities	103.59	102.25	103.34	+0.49
Finance	21.30	20.93	21.21	+0.17
SP 500	234.54	230.21	233.45	+1.45
SP 100	—	—	226.67	+1.41

NASDAQ Diary

	Close	Prev.
Advanced	1,086	1,040
Declined	1,334	1,341
Unchanged	2,555	2,513
Total Issues	4,975	4,894

AMEX Stock Index

High	Low	Close	Ch'ge
341.84	340.66	341.82	+0.14

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

NYSE Stocks Narrowly Mixed

United Press International

NEW YORK — Prices on the New York Stock Exchange failed to sustain a late afternoon advance Wednesday and closed mixed in relatively quiet trading.

The Dow Jones industrial average, which had risen 8.79 points Tuesday, climbed 6.63 to close at 1,848.97. The Dow had been ahead more than 20 points less than 30 minutes before the close.

Broader market indexes also rose slightly. The New York Stock Exchange index gained 0.71 to 131.21. Standard & Poor's 500-stock index added 1.45 to 233.45. The average share added 16 cents.

But declines led advances by about a 6-5 ratio. Volume was 148.89 million shares, down slightly from 149.87 million shares traded Tuesday.

"The market has had a good tone throughout the day," said Ernie Rudnet, manager of block trading at Mabon, Nugent & Co. But "there is no conviction. It wouldn't take much for this market to get battered around. Nor would it take much to go forward. It's a very neutral market."

Mr. Rudnet said the market remained uncertain because "there are just too many things we don't control," including the outcome of the budget-reduction process in Washington, efforts to stabilize the dollar, moves by trading partners to stimulate their economies and consumer spending.

"All of those things are on people's minds," he said. "Until we start eliminating some of them," the uncertainties should continue.

Eugene Peroni Jr., chief technical analyst at Janney Montgomery Scott Inc. in Philadelphia, said the market would probably "be in a confined range over the next few weeks. That narrow corridor will be defined by intermittent perceptions about the dollar, interest rates and Capitol Hill activity on the budget."

Mr. Peroni said the market "is very much pigtailed to the dollar."

"However, the concern is not so much with the immediate swings, but with perceptions as to the steps to arrest its fall," he said. "There is an emerging sense of confidence about cooperation among our allies about interest rates."

Ohio Edison was the most active NYSE-listed issue, up ⅛ to 19⅜.

Texas Utilities followed, down ⅛ to 27¾.

General Electric was third, off ⅜ to 41⅝.

AT&T was up ¼ to 27⅝. IBM slipped ⅜ to 110⅝.

Texaco gained 2⅛ to 33. Pennzoil was up 2¾ to 78. Texaco asked a bankruptcy judge to extend the deadline for the company to file a reorganization plan by only 40 days, saying the "time is ripe for negotiation" in its $10.3 billion legal battle with Pennzoil.

■ NYSE to Expand Capacity

The New York Stock Exchange announced Wednesday new efforts to expand its capacity to handle trading activity in the aftermath of the October stock market collapse, the Associated Press reported from Boca Raton, Florida.

John J. Phelan Jr., the NYSE chairman, told a convention of brokers that they must assume that the heavy volume that accompanied the Oct. 19 collapse was "not merely an aberration."

"We have to move expeditiously to prepare ourselves to handle more peak loads of 600 million shares a day," Mr. Phelan said.

On both Oct. 19 and Oct. 20, slightly more than 600 million shares traded on the NYSE, nearly double the previous record of 338.48 million shares on the Friday before the collapse.

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
		A								
25⅝	14⅝	AARs	.36	2.2	15	285	16½	16	16	— ½
12	8⅝	ACM Gn	.07e	1.8		884	11⅛	11⅛	11⅛	+ ⅛
32½	18⅝	AFG s	.16	.7	8	381	23½	23⅛	23½	+ ⅛
27	16½	AGS s			12	97	14⅝	13⅝	13½	— ⅝
10½	6½	AMCA				3	6½	6⅜	6½	
11⅝	3¼	AM Intl			47	661	5⅝	5	5⅝	— ⅛
33⅝	17	AM Int pf	2.00	9.5		243	21½	20½	21	+ ½
45½	29⅝	AMR			9	2599	30½	29⅝	30⅛	
27½	24⅝	ANR pf	2.67	10.5		99	25⅝	25⅝	25⅝	+ ⅛
12¼	6⅝	ARX s			7	160	6⅝	6⅝	6⅝	— ⅛
73½	35⅛	ASA	2.00a	3.8		727	53	53	53	— ⅛
22⅝	9½	AVX			15	232	12⅛	11⅞	11⅞	— ⅛
67	40	AbtLab	1.00	2.2	17	3791	44⅞	43⅞	44⅞	+1⅛
28	15⅝	AbitBi s				139	18⅝	18⅛	18⅝	+ ⅝
16⅝	8½	AcmeE	.40	4.1	14	222	9⅞	9½	9⅞	+ ⅛
10½	6⅛	AcmeE	.22p	4.4	25	2	7⅛	7⅛	7⅛	+ ⅛
20	14⅛	AdoEx	3.34e	20.4		158	16⅝	16⅛	16⅛	
19½	7⅝	AdmMs	.24	3.0	6	180	8⅝	8⅛	8⅝	— ⅛
35	15⅛	AdvSys			18	1077	28	25	27	+2⅛
24⅝	8⅝	AMD				10724	9⅛	8⅛	8⅝	— ⅜
54¾	29½	AMD pf	3.00	10.1		1405	29⅝	29⅛	29⅝	
11⅝	4⅝	Adobe				65	5⅝	5⅛	5⅝	+ ½
20½	15½	Adob pf	1.84	11.0		3	17	16⅝	16⅝	— ½
21⅝	17	Adob pf	2.40	12.0		2	20	20	20	— ⅛
15	6⅛	Advest	.12e	1.5	6	80	8	7⅝	7⅝	— ⅛
68⅛	44⅛	Aetna L	2.72	4.1	6	3254	45⅝	44⅝	45	+ ⅛
63½	33⅛	AfrPts	.32	.7	7	367	43⅝	43½	43⅝	
26⅝	13⅝	Ahmans	.88	6.3	6	2255	14⅛	13⅝	14⅛	+ ½
5⅝	1⅛	Aileen				71	2½	2⅛	2⅛	
33⅝	29	AirFrd	1.00	3.0	12	989	33⅛	32⅝	33⅛	+ ⅛
36	11½	AirbFrt	.60	4.9	7	209	12⅝	12	12⅝	— ½
16½	7⅝	Airpro n			13	326	9⅝	9	9	— ⅛
19½	13½	Airlease	2.11e	13.2	3	37	16⅛	16	16	— ⅛
	½	AlMoon			16	16	½	⅜	½	
10⅝	7⅝	AlaP pf	.87	9.7		9	9⅛	9	9	— ⅛
110½	102⅝	AlaP pf	11.00	10.6		230z	104	104	104	
95½	77	AlaP pf	8.28	10.1		30z	82	81	82	+1
23	12⅝	AlskAir	.14	1.2	18	807	12⅝	12⅛	12⅝	— ⅜
28⅛	14⅝	Alberto	.24	1.3	14	78	18⅝	17⅝	18⅛	+ ½
34	12⅝	AlbCuLA	.24	1.7	11	74	14½	13⅝	14	— ½
34	20⅝	Alcoa s	.40	1.9	14	573	25⅝	24⅛	24⅝	— ⅜
37⅝	18	Alcan s	.45	1.4	9	3128	32⅝	31⅝	32⅝	+ ⅜
30	15⅛	AlcoS s	.68	3.9	10	331	17⅝	17½	17½	
32	17⅛	AlexAlx	1.00	5.7	12	1521	18	17⅝	17⅝	— ⅛
59	34⅝	Alexdr			145	64	39½	39⅛	39⅛	— ½
19⅛	11⅝	AllegCo			6	41	69½	62⅝	69½	+2
24⅛	3	Allgint				1013	3⅛	2⅝	3⅛	— ⅛
20½	6	Allgnpr				97	6⅛	6	6⅛	
88½	34	Allgl pfC				77	33⅝	33⅛	33	—5⅛
34	15⅛	AllgLud n	.20e	1.1		27	19⅝	18⅝	19⅝	
49	31⅝	AllgPwr	2.92	7.9	9	3577	36⅝	36⅛	36⅝	+ ⅛
105⅝	52	Allegis	.75i		35	1634	69⅝	68½	69⅝	+ ⅜
19⅝	5⅛	AllenG	.36	9.5		222	6½	6⅜	6⅝	— ⅛
24⅝	13½	Allen pf	1.75	15.2		76	12⅝	11½	11½	—1
44	13⅛	AlldPd			8	56	14⅝	14	14⅝	+ ⅛
49⅛	27	AldSgnl	1.80	6.4	8	3222	29	28	28⅛	— ⅛
3⅝	1⅛	vlAllisC				831	1⅛	1⅛	1⅛	— ⅛
37½	4	AllsCrl				4	4⅛	4⅛	4⅛	
8⅝	5⅝	AlstMun	.01e	.3		322	9⅝	9⅝	9⅝	+ ⅛
34⅛	23	ALLTL s	1.52	5.8	13	367	26⅝	25⅝	26	
64⅝	32⅝	Alcoa	1.20	2.8		3159	42⅝	42⅛	42⅝	—1⅛
32	14	AmxGn	.04e	2		721	26⅝	25⅛	26	+ ½
29⅛	15⅝	Amax			6	1330	18½	17⅝	18⅛	+ ⅛
27⅝	34	Amax pf	3.00	7.9		5	38	38	38	— ½
41⅞	21½	AmHes	.30e	1.3	8	2306	23⅝	22	23⅝	+ ½
30⅝	6⅝	AmBrds	.05e			1417	22⅝	21⅝	21⅝	— ⅛
60	34⅝	AmBrnd	2.80	4.0	9	2598	77⅝	69⅝	69⅝	— ⅝
34½	23⅝	ABrd pf	2.75	9.1		2	30⅛	30⅛	30⅛	
26⅝	15⅛	ABldM	.90	5.4	11	34	16⅝	16⅝	16⅝	
25⅝	17⅝	ABusPr	.80	4.7	11	26	17⅝	17⅛	17⅛	— ⅛
25⅝	17⅝	ACosBd	2.20	10.5		49	21⅛	20⅝	21	— ⅛
25⅝	24⅝	ACosCv	5.00z	20.7		2	24⅝	24	24⅛	— ⅛
24⅝	8⅝	ACMR	1.00e	11.1	7	57	9⅝	8⅝	9	— ⅛
4⅝	1	ACamC				36	1⅝	1⅛	1⅝	+ ⅛
57	29	ACyan s	1.05	2.9	13	2223	37⅝	36⅛	36⅝	
31⅝	17½	AEPw	2.56	8.9	9	2229	29⅝	28⅝	29⅝	+ ½
40⅝	20⅝	AExp s	.76	3.4	13	9967	22½	21½	22⅝	+ ½
18½	9⅝	AFarm s	.24	1.5	14	4232	15⅝	15⅛	15⅝	+1⅛
44⅝	26½	AGnCo	1.25	4.3	6	2222	29⅝	28⅝	29⅝	
21⅝	6½	AGnl wi				428	7⅛	7⅛	7⅛	— ⅛
20	12	AHlth n	1.32e	8.2		408	15	14⅝	14⅝	— ⅛
11⅝	4⅝	AHolst				67	6⅛	6⅛	6⅛	— ⅛
34⅛	17⅝	AHolst pf	1.95	11.0		32	18	17⅝	17⅝	— ⅛
16⅝	62	AHome	3.24	4.9	12	1884	66⅝	65⅝	66⅝	+1⅛
47⅝	31⅝	AmFrs s	1.60	4.0	11	1184	40	39⅝	40	+ ⅛
63⅝	53½	AInGr	.30	.5	11	2524	58⅝	56⅝	57⅝	+2⅝
20⅝	10⅝	AMI	.72	5.9	10	7493	12⅝	11⅛	12⅛	+ ⅜
51⅛	21⅝	APress	.50	1.9	8	515	26⅝	25⅝	26	+ ⅛
69	32	APrsd pf	1.62	6.7		2	27	27	27	— ⅛
17⅛	12½	ARestn	1.00e	6.3		128	16⅛	15⅝	15⅝	— ⅛
19	10⅝	ASLFlg			8	168	15⅝	15⅛	15⅛	+ ⅛
23⅝	14⅝	ASLFl pf	2.19	13.3		66	16⅝	16⅛	16½	+ ⅛
16⅝	3½	AShip	.40	10.7		37	3⅝	3½	3⅝	+ ⅛
8⅝	4⅝	AmStd	5.00	6.0	11	1	8⅝	8⅝	8⅝	— ⅛
44⅝	43	AmStor	.84	1.8	11	831	46	44½	45⅝	+ ⅛
43½	31⅝	AStr pfA	4.38	8.2		672	53⅝	52½	53⅝	+ ½
60	34½	AStr pfB	6.80	12.1		56	56⅝	55⅝	56⅝	+ ⅛
25⅝	22⅛	AT&T	1.10	4.4	20	13146	27⅝	26⅝	27⅝	+ ⅛
53	47⅝	AT&T pf	3.74	7.4		4	50⅝	50⅝	50⅝	
25⅝	14⅝	AmWtr s	.64	4.1	8	98	16	15⅛	15⅝	— ⅜
17½	13⅛	AWat pr	1.25	9.0		200z	13⅝	13⅝	13⅝	+ ⅜
13½	8⅛	AmHoll				548	9⅝	9⅛	9⅝	
8	3⅝	ATr pf	4.27	7.9		3	7⅝	7⅝	7⅝	— ⅛
13⅛	103⅛	ATr un	4.27	5.7		4	109⅛	109⅛	109⅛	—1⅜
37½	24⅝	Ameron	.96	3.4	7	120	27	27	27	— ⅛
19⅝	7½	AmesDept	.10	1.0	19	1	10½	10½	10½	
34⅝	17⅝	AmHess	.40	1.7	14	708	23⅝	23⅛	23⅝	+ ⅛
12⅝	9⅛	AmevSc	1.08	10.2		80	10⅝	10⅝	10⅝	
46⅝	21½	Amfac				537	29½	29	29½	— ⅛
37½	24⅛	Amfac pf	1.87	6.4		11	29½	29½	29½	— ⅛
4⅝	1½	vlAmfac				77	1⅞	1⅞	1⅞	— ⅛
90⅛	57	Amoco	3.30	5.1	15	2175	65⅝	64½	65⅝	+ ⅛
71½	34⅛	AMP	.90	2.1	20	3267	43⅝	41⅝	43⅝	+ ⅛
19	11⅛	Ampco	.20	2.3		115	13	12⅝	13	— ⅛
22⅛	6⅝	Amres				46	8⅛	8⅛	8⅛	— ⅛
65⅝	40⅝	Amrep				10	50⅝	50⅝	50⅝	
35⅝	20⅝	AmStn	1.24	5.4	7	293	22½	22⅛	22⅛	
10⅝	3½	Anacmp			18	462	5⅛	5	5⅛	
34⅝	18⅝	Anadrk	.30	1.3		402	23⅝	22⅝	23⅝	+ ½
26⅝	8⅝	Andlay			25	242	9⅝	9⅛	9⅝	+ ⅛
30½	11⅝	AnchGs	.68	.4	13	241x	16⅝	17⅝	17⅝	+ ⅛
34⅝	19	Ansellc	.72	3.8	10	213	19⅛	19	19⅛	— ⅛
15⅝	9⅝	AnzlCrn	1.12	10.8		59	10⅝	10⅝	10⅝	— ⅛
40⅝	25⅝	Anheus	.40	2.0	15	2467	30⅝	29½	30	+ ⅜
14⅝	4⅝	Anthem s				201	5⅝	5⅝	5⅝	+ ⅛
15⅝	7⅝	Anthony	.44b	4.3	6	38	10⅛	10	10⅛	— ⅛
31½	20½	Aon Cp s	1.20	5.1	8	3348	24	23½	23½	— ⅜
12⅝	6⅝	Apache	.36	3.9		285	7⅝	7⅛	7⅛	
9⅛	3⅝	ApcPt un	.20	2.1		177	9⅝	9	9	
94⅝	66	ApPwr	7.40	9.8		1600z	75⅝	75⅝	75⅝	— ⅛
29⅛	26⅛	ApPw pf	2.65	9.7		1	27⅛	27⅛	27⅛	+ ⅛
41⅝	14⅝	ApIMg			11	312	22⅝	22⅛	22⅛	+ ½
27⅝	17⅝	ArchDn	.10b	.5	12	4844	19⅝	19⅛	19⅝	+ ⅛
38⅝	24	ArcCoA	.68	2.2		3	30⅝	30⅝	30⅝	+ ⅛
37	14⅝	Arctec	.36e	1.4	10	2920	25⅝	22⅝	22⅝	+ ⅜
30⅛	8⅛	ArkBst	.20	1.0	13	105	9⅝	9	9	— ⅛
26½	18⅝	Arkla	1.08	4.3	13	2306	16⅛	16⅛	16½	+ ⅛
9⅝	3⅝	Arkla pf	3.00	8.0		37	37½	37½	37½	+ ⅛
14⅝	8⅝	Armco			6	2218	9⅝	9⅝	9⅝	— ⅛
25½	14⅝	Armc pf	2.10	9.9		4	21⅛	21	21⅛	— ⅛
46	38	Armc pf	4.50	11.4		1	39⅝	39½	39½	— ½
47⅝	22½	ArmWl	.80	3.5	9	1036	24	23⅝	23⅝	— ⅜
12⅝	7⅝	ArmWk	.40	3.0	8	7	13⅝	13⅝	13⅝	— ⅛
12⅛	4⅝	ArowE	.20i			350	6	5⅝	6	
21½	11⅝	ArgwE pf	1.54	13.5		11	12⅛	12½	12½	
33	11½	Artra				289	23⅝	23⅛	23⅝	+1⅝
17⅝	15⅛	Arvin	.48	4.4	6	249	16⅛	15½	15½	— ⅛
34½	13⅝	Asarco	.10e	.4	9	1097	24⅛	23⅝	23⅝	— ⅛
71⅝	46⅛	AshOil	1.80	3.4	13	521	53⅝	52⅝	53⅝	+ ½
7⅝	4⅛	AslaPac				1000	4⅛	4⅛	4⅛	
22⅛	9⅝	Athlone	.40	15.3		99	10⅝	10⅛	10½	+ ⅛
41⅝	25⅝	AtlEnrg	2.68	8.9	9	109	30⅝	29⅝	30⅝	+ ⅛
99½	57½	AtlRich	4.00	5.8	12	2397	69⅝	67⅝	68⅝	+ ½
225⅝	136⅝	AtlRc pr	2.80	1.7		1	164	164	164	—4
53	14⅛	AtlasCr			78	38	35	34½	34⅝	+ ⅜
8⅝	3⅝	AudVi			7	29	5⅝	5⅝	5⅝	— ⅛
28⅝	11⅝	Augat	.40	3.3	22	218	12⅝	11⅝	12⅛	+ ⅛
27⅝	10	AuStnl	.48	3.7	7	269	12	12⅝	12⅝	— ⅛
54½	32⅛	AutoDt	.44	1.1	22	1774	39⅝	38⅝	39⅝	+ ⅛
6	2⅝	AvcoFn				4	2⅝	2⅝	2⅝	
25⅛	13	AVMC s	.20	1.6	10	1479	17⅝	17⅛	17⅝	
25⅝	15⅛	Avery s	.72	2.3	14	334	15⅝	15	15	— ⅛
39⅛	18⅝	Avnet	.50	2.3	24	853	22⅛	21⅝	21⅝	— ⅛
38⅝	19⅛	Avon	2.00	6.6	10	2409	30⅝	29⅝	29⅝	+ ⅛
37½	16	Avdhi			9	736	19⅝	19⅛	19⅛	— ⅛
		B								
20⅛	13⅝	BET n	.57e	3.5		5	16⅛	16⅛	16⅛	— ⅛
9⅝	4⅝	BMC				101	6⅝	6⅝	6⅝	— ⅛
33	23½	BRE	2.40	9.2	11	30	26⅝	26⅛	26⅛	— ⅜
42⅛	20⅝	Baimco	.30	3.7	8	257	22⅝	21⅝	21⅝	— ⅜
27⅝	11⅝	BkrHu n	.44	3.7		8207	12⅝	11⅝	12⅝	+ ⅛
67	38⅝	BkrH pf	3.50	8.8		400	40½	40	40	— ⅛
28	18⅝	Baldor	.48	2.3	18	18	21⅝	21	21⅝	— ⅛
48½	27⅝	Ball	.84	2.3	11	135	36⅝	35⅝	36⅝	— ⅛
27⅝	16⅝	BallyMf	.20	1.7	8	1999	13⅝	11⅝	12⅝	— ⅛
37⅝	19	BallGE	1.32	4.2	9	2247	31⅝	31⅛	31⅝	+ ⅛
22⅝	17⅝	BncOne	.92	4.3	11	448	21⅝	21⅛	21½	+ ⅛
26½	16½	BncCtr n	.25e	.9		204	26½	26⅛	26⅛	— ⅛
55⅝	41	BnSant n	.31e	.7		5	47	47	47	— ⅛
4⅝	1⅛	BanTx n				238	1⅝	1⅛	1⅛	— ⅛
69	42	Bandag s	.80	1.7	13	182	47⅝	46⅝	47½	+1⅛
38	17⅝	BkBost	1.08	5.1	12	695	21½	21⅛	21⅛	— ⅛
52⅝	47⅝	BkB pfA	3.25e	6.8		200	47⅝	47⅝	47⅝	— ⅛
52⅝	47⅝	BkB pfB	3.25e	6.8		200	47⅝	47⅝	47⅝	— ⅛
45⅝	25⅝	BkNY	1.80	7.1	9	382	25⅝	25⅛	25½	— ⅛
15⅝	7½	BnkAm				3971	7⅝	7⅛	7⅝	
37⅝	26	BkAtl	3.24e	9.3		15	27⅛	27	27⅛	— ⅛
45⅝	40	BkAtl	4.00e	8.8		1	44⅝	44	44	— ⅜
10⅝	6⅛	BkAtl	.20			150	6⅝	6⅝	6⅝	— ⅛
25½	22	BankTr	1.46	5.9		2301	25⅝	27⅝	27⅝	
27⅝	13⅝	Banner	.84	.4	12	82	15⅝	14⅝	14⅝	— ⅛
42½	27½	Barclay	1.46e	5.2		5	28	28	28	+ ⅛
24⅝	12⅝	Bard	.24	1.4	15	585	30⅝	29⅝	30⅝	+ ⅛
40⅝	24

Herald Tribune

BUSINESS/FINANCE

THURSDAY, DECEMBER 3, 1987

WALL STREET WATCH

GM, AT&T Pension Plans Invest in Takeover Fund

By ROBERT J. COLE
New York Times Service

NEW YORK — The pension funds of General Motors Corp. and American Telephone and Telegraph Co. are investing substantially more than $100 million each in a $1.1 billion fund to finance friendly takeovers, officials close to the deal have disclosed. Morgan Stanley Group, which has raised the money since October's stock market tumble, said Tuesday that it was prohibited by an agreement with the investors from identifying many of the participants or the size of their investments.

But Thomas A. Saunders, a managing director of the investment banking house and chairman of the fund, said there were close to 50 major participants, including several that were providing more than $100 million apiece. He declined to discuss GM's or AT&T's participation, although insiders said that employees of both companies would take part through their respective pension funds.

Overall, however, about 40 percent of the money comes from foreign institutions.

Like other buyout groups, more commonly known as leveraged buyout funds because of their huge leverage, or debt, the Morgan fund seeks to give investors a high annual return — in Morgan's case, 40 percent. Despite October's market slide, the outlook for leveraged buyouts is viewed as particularly strong because the cost of buying companies has dropped so sharply.

Mr. Saunders said that 15 leading Japanese institutions were investing in the fund, including Industrial Bank of Japan, Nippon Credit Bank, Sumitomo Life Insurance Co., Mitsui Bank and Taiyo Mutual Life Insurance Co.

About 40 percent of the money, he added, would come from foreign banks, insurance companies and other big investors in Japan, Hong Kong, the Middle East and Western Europe. He said that several governments in the Middle East also were taking part, but that he could not identify them under the agreement.

Among the investors he was free to name, he said, were Chemical Bank, Bankers Trust Co., Equitable Life Assurance Society of the United States, Bank of Nova Scotia, Georgia Pacific Pension Fund and Morgan Stanley itself, which he said would invest $100 million.

LEVERAGED buyouts, also known as management buyouts because they almost always provide for senior executives to stay on as part of the deal, have become extremely popular in the last few years.

In a typical buyout, investors buy a company, financing most of the deal with borrowed money. They pay off the debt through the cash flow, often selling parts of the company to hasten repayment. They then resell the remainder to stockholders, thus taking the company public again — often reaping substantial profits in a relatively short span and with a relatively small cash investment.

Since the Oct. 19 market slide, however, the market for new junk bond issues — a major financing vehicle in leveraged buyouts — has been weak. Analysts have attributed the weakness to concern that some companies might not have the cash flow to trim debt and that, if individual pieces of companies were sold, they might not be worth so much as they once were.

In a typical Morgan deal, Mr. Saunders said, the fund would make only equity investments in corporations it buys, that is, it will buy only common stock in the new company. The rest of the financing will come from banks, which provide the senior debt, and from junk bond buyers, such as insurers, pension funds and other financial institutions around the world, which buy the subordinated debt in the public market.

Donald B. Brennan, the head of Morgan's merchant banking department, said the fund would invest in deals involving as much as $1 billion or more in basic American industries, occasionally creating new companies by combining parts from several sellers.

Currency Rates

Cross Rates Dec. 3

	$	£	D.M.	F.F.	Lira	Guilder	S.F.	S.Fr.	Yen
Amsterdam	1.8645	3.3695	1.125	0.3389	0.1527 *	—	5.375 *	1.374	1.3995 *
Brussels(a)	34.78	62.69	20.93	6.158	2.8377 *	18.6085	—	25.554	0.2601
Frankfurt	1.6575	2.996	—	0.2942	0.1356 *	0.889	4.778 *	1.2215	1.3435 *
London (b)	1.8185	—	2.996	10.2055	2.210.08	3.3715	42.725	2.4538	241.71
Milan	1,222.50	2,209.80	737.43	214.90	—	455.55	3.214	901.58	9.173
New York(c)	—	1.82 b	1.646	5.593	1,214.50	1.852	34.43	1.3465	122.45
Paris	5.432	10.189	3.3993	—	0.441 *	3.022	0.1625	4.1515	4.204 *
Tokyo	133.15	241.60	80.55	23.70	0.1095	71.40	3.8594	98.45	—
Zurich	1.352	2.4877	0.8197	0.2406	0.1108 *	0.7272	3.9105 *	—	1.0185 *
1 ECU	1.2494	0.6897	2.0627	7.0159	1,531.74	2.3286	43.1765	1.6888	146.90
1 SDR	1.3633	0.754	2.2597	N.Q.	1,664.29	2.5417	47.3045	1.8507	162.573

Closings in London, Tokyo and Zurich. Fixings in other centers. New York closing rates.
*a: Commercial franc; b: To buy one pound; c: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	3.94	Fin. markka	4.0645	Mex. peso	2275.00	S. Afr. rand	1.945
Austral. $	1.4345	Greek drac.	130.13	N. Zealand $	1.5400	Soviet ruble*	0.5798
Austr. schil.	11.64	Hong Kong $	7.7695	Nig. naira*	4.2168	Span. peseta	111.58
Belg. fin. fr.	35.98	Indian rupee	12.9366	Norw. krone	6.6145	Swed. krona	6.080
Brazil cruz.	43.21	Indo. rupiah	1635.78	Pak. peso	21.10	Taiwan $	27.43
Canadian $	1.3138	Irish £	0.6207	Port. escudo	134.80	Thai baht*	25.365
Chinese yuan*	3.7221	Israeli shek.	1.558	Saudi riyal*	3.7504	Turkish lira	857.60
Danish krone	6.3783	Kuwaiti dinar*	0.2967	Sing. $	2.0572	UAE dirham*	3.6729
Egypt. pound	2.17	Malay. ring.*	2.50	S. Kor. won	792.80	Venez. bolIv.	29.00

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.8093	1.8074	1.8058	Canadian dollar	1.3147	1.3160	1.3174
Japanese yen	132.55	132.16	131.81	Swiss franc	1.3497	1.3433	1.3392

Sources: Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, rial, dirham); Gosbank (ruble). Other data from Reuters and AP.

Interest Rates

Eurocurrency Deposits Dec. 2

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	ECU	SDR
1 month	7⅛-6	3½-3⅜	3⅝-4	—	5 ⅞-9	6 ⅞-6 ⅝	—
2 months	7 ⅞-7 ⅝	3½-3⅜	3 ⅞-3 ⅝	—	5 ⅞-9	6⅞-7	—
3 months	7 ⅞-7 ⅝	3 ⅞-3 ⅝	3⅝-3⅝	N.A.	5 ⅞-9	6⅞-7	N.A.
6 months	7⅞-7⅞	3⅝-3½	3½-3⅜	—	5 ⅞-9	6⅞-7	—
1 year	8-8⅛	3 ⅞-3 ⅝	3½-3⅜	—	9-9⅛	7 ⅞-7 ⅝	—

Sources: Morgan Guaranty (dollar, DM, SF, Pound, FF); Lloyds Bank (ECU); Reuters (SDR). Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates Dec. 2

	Close	Prev.
United States		
Discount rate	6	6
Prime rate	8⅛	8⅛
Federal funds	7⅛	7
Call money	7.00	6.81
Call money 90-179 days	5.41	5.50
3-month Treasury bills	6.14	6.15
6-month Treasury bills	7.13	7.07
2-month CD's	7.13	7.07
3-month CD's		
Japan		
Discount rate	2½	2½
Call money	3⅛	3⅛
3-month interbank	3 15/16	3 15/16
3-month interbank	3⅞	3⅞
West Germany		
Discount rate	3	3
Lombard rate	4½	4½
Overnight rate	3.30	3½
1-month interbank	3.65	3.60
3-month interbank	3.65	3.75
6-month interbank	3.80	3.80
Britain		
Bank base rate	9	9
Call money	9⅛	9⅛
3-month interbank	9⅞	9 15/16
91-day Treasury bill	n.a.	n.a.
France		
Intervention rate	8	8
Call money	8⅛	8⅛
1-month interbank	8⅛	8 7/16
3-month interbank	8⅛	8 9/16
6-month interbank	8⅛	8⅛

Sources: Reuters, Bank of Tokyo, Commerzbank, Credit Lyonnais.

Asian Dollar Deposits Dec. 2

1 month	7⅝-5⅝
2 months	7⅞-7⅝
3 months	7⅞-7⅝
6 months	7⅝-7⅝
1 year	n.a.

Source: Reuters.

U.S. Money Market Funds Dec. 2

Merrill Lynch Ready Assets 30-day average yield: 6.49
Telerate Interest Rate Index: 7.156
Source: Merrill Lynch, Telerate.

Gold

Dec. 2

	A.M.	P.M.	Ch'ge
Hong Kong	489.55	489.25	+1.40
Luxembourg	491.75	—	+2.15
Paris (12.5 kilo)	490.34	490.31	+2.34
Zurich	488.50	491.05	+3.80
London	490.00	490.90	+3.10
New York	—	488.00	−2.15

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.
Source: Reuters.

U.S. Sales Of Homes Off 1.5%

New House Prices Fell in October

Compiled by Our Staff From Dispatches

WASHINGTON — Sales of new homes in the United States fell 1.5 percent in October, the second consecutive monthly decline, while prices dropped sharply, the government reported Wednesday.

The Commerce Department said new single-family homes were sold at a seasonally adjusted annual rate of 657,000 units in October.

The department revised September sales upward to show a 2.8 percent decline from August levels to a seasonally adjusted annual rate of 667,000 units. It previously had reported a 5.2 percent drop in September sales.

The median price of a new home fell 5.5 percent to $104,000 in October from the record $110,000 in September. The decline pushed the median price to its lowest level since April, when it was $96,500. In October 1986, the median home price was $96,700.

The average price of a new home fell even more sharply, dropping to $122,400, down 10.1 percent from September's $136,100.

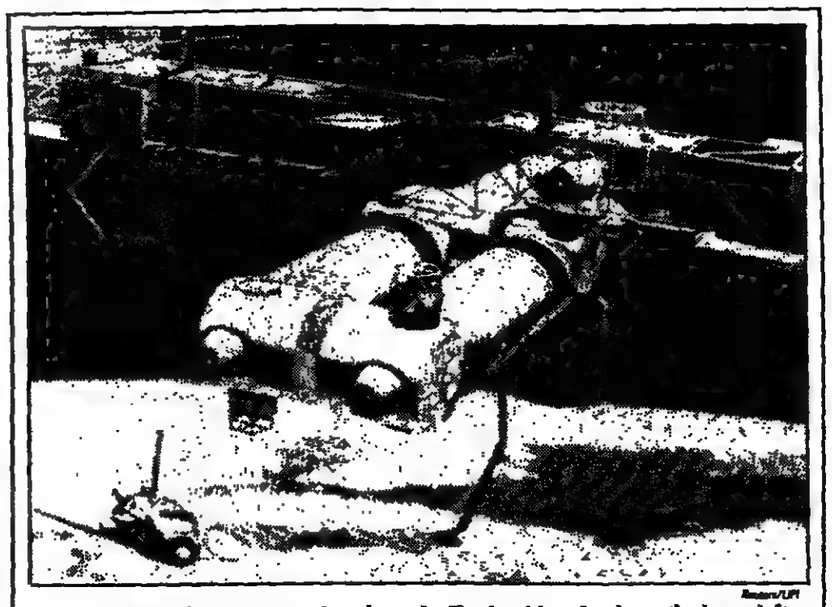
The sales weakness came during a month when mortgage rates had climbed sharply, jumping to a two-year high of 11.58 percent on Oct. 16. Rates, however, have dropped by a full percentage point since then as the Federal Reserve has pushed interest rates lower after the Oct. 19 collapse in stock prices.

For the first 10 months of the year, new home sales were down 9 percent from the pace recorded during the comparable period in 1986.

The steep decline was concentrated in the Northeast and the South. Sales in the South fell 19.6 percent to an annual rate of 226,000 units. Sales were off 18.7 percent in the Northeast to an annual rate of 100,000 units.

In the Midwest, however, sales soared 47.4 percent to an annual rate of 112,000 units, and sales were up in the West by 16 percent to an annual rate of 360,000 units.

(AP, Reuters)



Reuters/UPI

A conception of the space station above the Earth, with a shuttle on the lower left.

For Space Firms, a Nebulous Victory

4 Win Contracts for U.S. Station, but Budget Cuts Loom

By Richard W. Stevenson
New York Times Service

NEW YORK — The National Aeronautics and Space Administration has awarded contracts to four American companies to start building the nation's first permanent outpost in space. The project would cost at least $14 billion and would be the last manned U.S. space program of this century.

The contracts were awarded Tuesday to the aerospace divisions of Boeing Co., McDonnell Douglas Corp., General Electric Co. and Rockwell International Corp.

The station, as planned, would consist of a group of modules attached to a 350-foot (106-meter) latticework and powered by solar energy. It also would serve as a base for exploration of Mars and other planets.

Orbiting 250 miles (400 kilometers) above the Earth, it would carry a crew of six to eight. The initial contracts for the space station are worth $5 billion, but could go much higher if the program progresses as planned.

The agency awarded the contracts despite considerable uncertainty about the willingness of Congress to finance the program at a time of mounting pressure to cut the federal budget deficit.

"Our guess at this point is that there will be enough to go ahead with these contracts, but we don't really know how much," said James C. Fletcher, NASA's administrator, at a news conference at the Goddard Space Flight Center in Greenbelt, Maryland.

The contracts cover the cost of designing and building the station's components, but do not include other costs such as the 19 space shuttle flights required to boost the pieces into orbit.

The selection of the four companies capped years of intense competition in which winners and losers alike spent up to $75 million each of their own funds on preliminary design proposals and engineering work. The biggest loser was Martin Marietta Corp., which came away empty-handed after spending tens of millions on its bid.

Officials said the contracts would create 12,000 jobs around the United States, concentrated mainly in California, Alabama and Texas. Significant work also is planned in Pennsylvania, Connecticut and New Jersey.

Congress has not yet determined how much to spend on the station following an agreement negotiated last month to reduce the federal budget deficit by $76 billion over two years. Current plans call for the station to be manned and operational in 1996.

NASA has asked for $767 million for the station in fiscal 1988, which began Oct. 1, with spending to rise steadily to about $3 billion by 1992.

Representative Bill Nelson, a Florida Democrat who is chairman of the House space science and applications subcommittee, said it "remains unclear exactly how much money NASA will receive" in the current fiscal year. "We do know that NASA's budget will be very tight," he said.

Whatever the outcome of this year's budget process, financing is likely to remain a problem for the station in coming years. Crit-

See SPACE, Page 13

Shearson to Buy E.F. Hutton for About $1 Billion

Compiled by Our Staff From Dispatches

NEW YORK — E.F. Hutton Group Inc. will be acquired by Shearson Lehman Brothers Inc. for about $1 billion, the managing director of E.F. Hutton & Co. in London confirmed Wednesday.

The executive, Harry Romney, said by telephone that reports of a Shearson offer of $29 to $30 per share in a combination of cash and preferred stock were correct.

The merger will create the biggest U.S. investment firm in terms of capital. Shearson and Hutton had resumed discussions recently after breaking off informal merger talks in November 1986.

Mr. Romney said that for each of their shares, Hutton stockholders would receive $25 in cash and preferred stock in Shearson worth about $5.

He said Shearson, which is 69.6 percent owned by American Express Co., had outbid Dean Witter Reynolds Inc., a subsidiary of Sears, Roebuck & Co.

Merrill Lynch & Co., and Equitable Life Assurance Society of America had expressed interest in acquiring Hutton. Neither Merrill Lynch nor Equitable had made an offer, he said, but both had said they would be willing to discuss an acquisition if merger talks fell through.

Mr. Romney said it was still unclear how the acquisition would affect Hutton staffing and operations.

Once completed, the deal will leave Shearson with a retail brokerage force exceeding 12,000, making it one of the largest U.S. brokerage firms along with Merrill Lynch. The merger will greatly enhance its money-management operation.

Analysts have said Shearson likely would make large cuts in Hutton's staff of 19,000 because of a number of duplicate operations, while attempting to hold on to top stockbrokers and other key employees.

The 84-year-old Hutton has been plagued by inconsistent financial results in recent years, and by a major scandal in 1985 in which it pleaded guilty to 2,000 counts of federal mail and wire fraud stemming from a check-overdraft scheme.

Hutton indicated last year, after breaking off informal talks with Shearson over a $1.5 billion merger, that it wanted to remain independent. But continuing financial problems, exacerbated by the stock market's October collapse and two severe bond market slumps this year, prompted the firm to seek a buyer or a major infusion of capital.

A number of major Wall Street firms in recent years have sought outside investors or new parents in order to gain access to the massive amounts of fresh capital needed to meet heightening competition in the expanding global financial markets.

Shearson earlier this year sold a 13 percent stake in itself to Nippon Life Insurance Co. of Japan for $538 million. In May, privately held Smith Barney Inc. was acquired by Primerica Corp. for $750 million.

Last year, Goldman, Sachs & Co. sold a minority stake to Japan's Sumitomo Bank Ltd. in return for an investment of about $500 million, and Kidder, Peabody & Co. sold an 80 percent stake to General Electric Co. *(Reuters, AP)*

Drexel Seeking NYSE Ventures

Reuters

BOCA RATON, Florida — Drexel Burnham Lambert Inc. expects to reach agreement soon on a joint venture with the New York Stock Exchange specialist Carl H. Pforzheimer & Co., an executive of the investment banking firm said Wednesday.

"We have an application to become a significant specialist on the New York Stock Exchange," said Howard Brenner, senior executive vice president of Drexel. He also said that Drexel was exploring potential ventures or acquisitions with other specialist firms.

Pforzheimer is a specialist in 26 stocks, including those of Amoco Corp., Johnson Controls and Inland Steel Industries.

Comecon Edging Toward Trade Accord With EC

By James M. Markham
New York Times Service

BRUSSELS — After three decades of nearly uninterrupted hostility and estrangement, the trading bloc grouping the Soviet Union and its East European allies is moving closer to establishing diplomatic and commercial relations with the European Community.

New moves to normalize the ties with the 12-nation EC began last year in Geneva, and were the first in six years. Previous talks had failed as East-West relations deteriorated and the two sides could not agree on terms of any EC-Comecon relationship.

The negotiations, expected to be completed as early as next year, have been a major foreign policy goal of Mikhail S. Gorbachev, the Soviet leader, and could boost trade across Europe's ideological divide.

West Germany, eager to expand its exports, has been the most vigorous champion of the EC's opening to Eastern Europe. Already, under a peculiar 30-year-old arrangement, East Germany has handy access to EC markets, because its exports to West Germany are considered "inter-German trade."

The West German chancellor, Helmut Kohl, is known to want to complete the negotiations with the Soviet-led Comecon, formally known as the Council for Mutual Economic Assistance, when West Germany takes over the EC rotating presidency for a six-month period on Jan. 1.

"It is the East that has moved to accommodate us and not the other way around," said Willy De Clerq, the community's commissioner for external relations, in an interview at its Brussels headquarters.

Mr. De Clerq noted that it was Mr. Gorbachev who in June 1985 effectively reversed a long-standing Soviet policy of hostility toward the European Community by having Comecon propose a normalization of ties on terms that were acceptable to Brussels.

Previously, Moscow had sought to have East European trade controlled by Comecon, whereas Brussels had insisted on striking individual arrangements with the Soviet Union's six East European allies.

The two organizations are now negotiating a vaguely worded declaration of mutual recognition while Hungary, Romania and Czechoslovakia are in the midst of negotiating or extending separate trade agreements. The accord with Hungary will be especially extensive. Janos Kadar, the Hungarian leader, met recently in Brussels with Mr. De Clerq and Jacques Delors, the president of the EC's executive body, to urge its swift conclusion.

The EC is also conducting exploratory talks with Poland and Bulgaria, while the Soviet Union and East Germany have so far refrained from making any formal overtures to the community.

Comecon also includes Mongolia, Vietnam and Cuba, which have expressed an interest in benefiting from the new relationship, but EC officials have said they will not be included.

For a decade, the EC has had an official relationship with China, and it is about to open a mission in Beijing.

Community officials and Western diplomats say that Mr. Gorbachev had several reasons for abandoning the Soviet Union's attempt to shun and isolate the European Community, an effort that Mr. De Clerq likened to a "guerrilla war."

One is that the community has become an unavoidable reality. "It is not normal," explained one top EC official, "that 130 nations are accredited here and our closest European neighbors are a blank spot on our map."

The opening to the community, too, comes as Mr. Gorbachev evidently foresees the need for an injection of Western capital and skills into the flagging Soviet and Eastern European economies, which have been badly hit by the fall of dollar-denominated oil prices and now appear to be slipping into new debt problems. Trade between the two Europes has been stagnant; only 7 percent of EC exports go to Eastern Europe.

"The European Community is now perceived as a reality — and a reality distinct from the United States," said Mr. De Clerq. He added that it was imaginable that Moscow was hoping to exploit its emerging relationship with the EC to try to open rifts between the United States and its European allies.

'It is not normal that 130 nations are accredited here and our closest European neighbors are a blank spot on our map.'

— A top EC official

Yet diplomats emphasize that the community itself has a power of attraction that could tug certain East European countries away from their political moorings.

While West Germany, the community's economic powerhouse, has pushed hardest for the overture to Comecon, other member countries have gone along out of hopes for expanded markets in the East and to avoid the impression that Bonn is making a solo effort. Without opposing the initiative, France and Britain have cautioned against its possible diplomatic pitfalls.

One stumbling block to the joint declaration now being negotiated between the two trading blocs is the Soviet insistence that West Berlin not be mentioned in the text as an EC area covered by all trade agreements. But Mr. De Clerq and other community officials said that this issue is not negotiable.

Wednesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
85¾	65	NiaMpf	7.72	10.3		100z	74¾	74¾	74¾	
16⅞	11½	NiagSh	2.15e	17.9		174	12½	11⅞	12	— ⅛
9¼	4	NchAsl n				106	4⅞	4⅝	4⅝	+ ⅛
24⅞	12½	Nicolet			14	174	12⅝	12⅛	12⅝	— ⅛
33⅛	20	NICOR	1.80	8.0	9	171	22⅝	22¼	22⅝	— ⅛
19	9⅝	NoblAf	.12b	1.0		475	12	11⅝	11⅝	
21⅛	6¾	NordRs			8	479	7½	7	7¼	— ¼
38¼	21	NflkSo s	1.20	5.1	31	4167	23⅞	22⅝	22⅞	+ ⅛
37⅝	18⅝	Norsk	.57e	2.8		698	20⅝	20⅝	20⅝	— ¼
35⅝	21½	Norstr	1.40	5.6	8	229	25⅝	24⅝	25⅛	+ ¼
17⅝	5	Nortek s	.10a	1.3	6	610	8	7¾	7⅝	— ⅛
26¼	15⅝	NEurO	1.80e	10.7	9	24	16⅞	16⅞	16⅞	
28	7½	NestSv	.60	3.6	9	315	17⅜	14⅝	16¾	+2⅛
38¼	24	NESv pf	2.25	8.8		183	25½	23¼	25½	+2¾
28	18	NoestUt	1.76	8.7	9	926	20⅝	20	20⅛	— ⅛
13½	8	NIndPS	.15e	1.7	14	654	8¾	8½	8⅝	
37⅝	26¼	NoStPw	2.02	6.6	10	2170	31½	28¾	30½	+ ¼
60	44¾	NSP pf	4.16	8.5		100z	49	48	49	+1½

U.S. Futures

Via The Associated Press

Dec. 2

HOGS (CME)

30,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
49.85	38.05	Dec	43.55	44.10	43.45	43.90	+.85
47.50	37.50	Feb	42.45	43.20	42.40	42.72	—.23
43.80	35.90	Apr	38.55	39.20	38.50	38.87	+.85
45.30	37.50	Jun	41.60	41.90	41.52	41.65	—.12
43.45	39.60	Jul	42.00	42.60	42.25	42.57	+.02
44.30	39.60	Aug	41.15	41.45	41.05	41.05	—.15
41.45	38.10	Oct	38.25	38.55	38.25	38.32	—.03
40.90	38.50	Dec	39.20	39.20	39.00	39.00	—.32

Est. Sales Prev. Sales 6,270

Prev. Day Open Int. 26,186 up 140

U.S. Commodity Panel Postpones Approval of Stock Index Contracts

The Associated Press

CHICAGO — The Commodity Futures Trading Commission has indefinitely postponed the approval of applications for six new stock index futures contracts because of concerns stemming from the stock market collapse.

Some critics have maintained that existing stock index futures and options contributed to the extreme volatility of the stock market on Oct. 19, when the Dow Jones industrial average plunged 508 points. On Oct. 20, trading in many stock issues was paralyzed as the market tried to adjust to the stunning losses.

The application delay could last months, said William Brodsky, president of the Chicago Mercantile Exchange, one of the markets affected by the CFTC action.

Bennett Corn, president of the Coffee, Sugar & Cocoa Exchange in New York, said federal regulators were concerned about what procedures the exchanges would follow if trading were interrupted again on the stock market.

The Chicago Mercantile Exchange has applications pending for Japanese and British stock indexes and a composite of European and Asian stocks.

The Coffee, Sugar & Cocoa Exchange has proposed an international market index based on 50 foreign stocks and American depositary receipts.

The Chicago Board of Trade has applications pending to trade futures contracts with the Chicago Board Options Exchange on two stock indexes.

Stock Indexes

VALUE LINE (KCBT)

points and cents

Season High	Season Low		Open	High	Low	Close	Chg.
288.50	173.80	Dec	185.85	188.40	185.60	187.80	+1.55
286.40	170.80	Mar	183.75	186.80	182.50	185.95	+2.05
285.80	180.50	Jun				184.80	+2.05

Est. Sales Prev. Sales

Prev. Day Open Int. 2,851

NYSE COMP. INDEX (NYFE)

points and cents

Season High	Season Low		Open	High	Low	Close	Chg.
191.45	103.00	Dec	130.00	132.00	129.30	130.65	+.40
193.00	104.00	Mar	131.00	133.00	130.20	131.50	+.35
194.60	110.60	Jun	131.90	133.00	131.90	132.40	+.35
191.40	112.50	Sep				133.35	+.40
190.25	117.00	Dec	130.25	130.25	130.25	130.75	+.55

Est. Sales Prev. Sales 9,414

Prev. Day Open Int. 9,060 up 173

Commodity Indexes

	Close	Previous
Moody's	1,029.30 f	1,038.60 f
Reuters	1,688.60	1,695.00
D.J. Futures	134.33	134.84
Com. Research	232.98	234.72

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

Paris Commodities

London Commodities

S&P 100 Index Options

London Metals

MK Electric, a Target, Is Talking With Siemens

Reuters

LONDON — MK Electric Group PLC, the British electrical accessories concern, said Wednesday it was holding talks on a possible bid for the company by Siemens AG of West Germany.

MK Electric, subject of a £206.5 million ($375 million) bid from RTZ Corp., the British holding company, said the discussions "may or may not lead" to an offer by Siemens. MK has asked its shareholders not to take any action on the 550 pence-a-share offer from RTZ.

RTZ already controls a 21.7 percent stake in MK Electric, which also has attracted interest from the French electric components maker Legrand SA. On Tuesday, Legrand raised its holding in MK Electric to 6.1 percent from 2.6 percent after further share purchases in the market.

NYSE Highs-Lows

NEW HIGHS 1

GlobalYield

NEW LOWS 95

AMCA Int
Alleghn 1125e
AmCapCv
BkBos adj pf
CIGNA Cp
Cert-teed
CwE 840pfB
Cumm Eng
FabriCtr
FstBkSy s
GenAm Inv
HartfdFire p
HousInt 625
LeggMason
LIL Co pfU
Munsingwr
NicoletInst
PetrolRes
Primeric 3pf
RepGyps
SequaB n
Saumrk pfH
Tokheim
Wstn Union

AMD
AllenGp pf
AlCapMR
Barman
CIGNA 41|pf
Chelsea Ind
Conetar
Curtiss Wrt
Fedders pf
FtRepubA
Goldome n
HeiligMyr
IUInt Cp
Lehman Cp
Malaysia n
NWA Inc
OakwdHm
PiedmtNG
QuickReil s
SL Indust
Sequa pf
Standex
UnTexEx n
Winchells n

AMD pf
vjAllisChal
AsiaPac n
BritPet pp
CNW pf
ClaytonHme
ContIll
DanaCp
FedExpress
GaloobLew
Gdrich pfD
High Volt
JohnstCRt n
LeucadiaNtl
Mattel Inc
NatMedEn
OrionCp adj
PilgrmPrd
RaymdJames
SavinCp
SooLine
Talley pfB
WellsF adjpf
WinnDix

AlleghInt
AmBusPrd
AudioVid
Brunswck s
CatalystEn
ColGas pfD
CounsTandSF
DianaCp
FedNMtg wt
GearhInd
GreenTree
HollyFarm s
LVI Grp pf
Loctite s
MorganSin
Nat Stand
PayLessCash
PogoProd
RdgBat adj p
SequaA n
Saumrk adj p
Tandy
WshSL

AMEX Highs-Lows

NEW HIGHS 3

ConvDev n
GulfInc
LibertyFnct

NEW LOWS 55

AT&E Cp
ArkRestaur
Casablan
DeLaurFl n
EcolEnv n
GeoRes wt
Hudson Gen
LawsonMard n
MatthWrt
Nichols SE
PacIntCp pf
Std Shares
TransAirCp
WstAmBcp s

AcmeUnit
Audiovox n
CosmoCare
EECO s
FordCan g
HardRck n
ICH pf
LoriCp
Medicore wt
NuHarlzn
ResEngrg n
StevenGph n
TriStMal
YankeeCos

ActionInd
BaristerInt
Dataram
EAL 324pf
Forstmn n
HovnanEnt s
JohnstwnAm
Lynch Corp
MicronPrd n
NuclearDia
SandyCp
Techcl Tape
Vicon
YankeeCos pf

AmTr-pr sc
BrownFor A s
DeLaurenEn
EAL 312pf
GeothRes
HudsonFood
LawrIns Gp n
Magicsilk
Moog B
OnlaArt Co
SikesCp s
TechTp wd
Vaplex

To Our Readers

Currency option prices were not available in this edition because of technical problems.

Dividends

Dec. 2

Company	Per	Amt	Pay	Rec
DISTRIBUTION				
Templtn Emrg Mkt	-	.10	12-29	12-18
INCREASED				
Bowl America	Q	.12	2-10	1-14
Bristol-Myers Co	Q	.42	2-1	1-8
Browng-Ferris Ind	Q	.12	1-8	12-18
Intermark Inc	Q	.03¼	1-4	12-21
Unvrsl Health Rlty	Q	.34	1-4	12-17
INITIAL				
Nuveen Cal Mcpl Val	M	.04¼	12-31	12-15
Nuveen NY Mcpl Val	M	.0344	12-31	12-15
Templeton Emerge	-	.30	12-29	12-18
SPECIAL				
Bowl America	-	.03	2-10	1-14
Currt Income Shrs	-	.28	12-30	12-15
STOCK				
Athey Products	-	10 PC	1-15	12-28
Macmillan Inc	-	5 PC	1-15	12-31
STOCK SPLIT				
Dionics Inc — 2-for-1				
Ford Motor Co — 2-for-1				
USUAL				
Alaska Air Group	Q	.04	2-5	1-15
Am Precisn Indus	Q	.05	1-15	12-31
Battle Mountn Gld	Q	.02½	12-18	12-11
Blessings Corp	Q	.10	3-1	2-5
Blessings Corp	Q	.10	3-1	2-5
Centennl Svgs Bk	Q	.07½	12-31	12-11
Communicatns Sys	Q	.06	1-4	12-18
Del-Val Financial	M	.15	1-4	12-11
Del-Val Financial	M	.15	2-1	1-11
EDO Corp	Q	.07	1-4	12-14
Frst Jersey Natnl	Q	.45	1-2	12-4
First Mississippi	Q	.06	1-28	12-31
Frprt McMoRan Gld	Q	.05	1-15	12-31
Grey Advertising	Q	.55	1-5	12-15
Jaclyn Inc	Q	.12½	2-17	1-15
MCA Inc	Q	.17	1-11	12-23
Nuvn Mcpl Val Fnd	M	.05¼	12-31	12-15
Santa Monica Bank	Q	.15	1-4	12-16
Uni-Marts Inc A&B	Q	.02	1-21	12-21
United Industrial	Q	.16	2-24	1-20
Velcro Indus NV	Q	.23	1-4	12-7
Watkins-Johnson	Q	.10	1-4	12-14

a-annual; m-monthly; q-quarterly; s-semi-annual

Source: UPI.

DM Futures Options

W. German Mark-125,000 marks, cents per mark

Dec. 2

Strike Price	Calls-Settle Dec	Jan	Feb	Puts-Settle Dec	Jan	Feb
58	2.47	3.25	3.42	0.00	0.15	n.a.
59	1.52	2.39	2.63	0.03	0.29	0.54
60	0.60	1.65	1.95	0.13	0.57	0.88
61	0.11	n.a.	1.39	0.64	0.86	n.a.
62	0.02	0.64	0.88	1.55	0.94	1.60
63	0.01	0.38	0.62	—	—	—

Est. total vol.: 18,874

Calls: Tue. vol.: 5,866; open int. 104,434

Puts: Tue. vol.: 3,950; open int. 115,512

Source: CME.

Spot Commodities

Dec. 2

Commodity	Today	Prev.
Aluminum, lb	7.85	7.775
Coffee, lb	1.20	1.20
Copper electrolytic, lb	1.245	1.245
Iron FOB, ton	213.00	213.00
Lead, lb	0.42	0.42
Printcloth, yd	0.80	0.80
Silver, troy oz	6.98	6.99
Steel (billets), ton	473.00	473.00
Steel (scrap), ton	114	114
Tin, lb	4.3801	4.3129
Zinc, lb	0.45	0.45

Source: AP.

U.S. Treasuries

Dec. 2

	Discount Bid	Offer	Yield	Prev. Yield
3-month bill	5.42	5.40	5.55	5.67
6-month bill	6.17	6.15	6.45	6.44
1-year bill	6.56	6.51	7.00	7.08

	Bid	Offer	Yield	Prev. Yield
30-yr. bond	97 7/32	97 9/32	9.14	9.13

Source: Salomon Brothers.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Canada

Royal Bank of Canada

4th Quar.	1987	1986
Profits	140.96	111.44
Per Share	0.99	0.83
Year	**1987**	**1986**
Oper Net	541.3	488.9
Oper Share	3.83	3.74

United States

American Stores

3rd Quar.	1987	1986
Revenue	3,478.	3,608.
Net Income	34.3	29.5
Per Share	0.98	0.84
9 Months	**1987**	**1986**
Revenue	10,460.	10,338.
Net Income	103.2	88.8
Per Share	2.88	2.22

1987 nets include gain of 23 cents per share.

Subaru of America

4th Quar.	1987	1986
Revenue	377.4	467.4
Net Income	(a) 14.9	21.4
Per Share	—	0.45
Year	**1987**	**1986**
Revenue	1,798.	1,940.
Net Income	(a) 20.8	94.0
Per Share	—	1.92

a: loss.

BUSINESS ROUNDUP

Plessey Mulls Buying GEC Chip Unit

Compiled by Our Staff From Dispatches

LONDON — A week after agreeing to buy the chip-making unit of Ferranti PLC, Plessey Co. said Wednesday that it was discussing a possible purchase of the semiconductor business of Britain's General Electric Co.

"We are holding talks with GEC, but it would be highly speculative to say more than that," said a spokesman for Plessey, the British telecommunications and defense electronics company. "We are talking about a possibility rather than a probability."

He said that the talks had not reached an advanced stage.

GEC, Britain's largest manufacturing group, confirmed that it was discussing "arrangements" for its semiconductor business "with Plessey and other people."

Plessey acquired Ferranti's semiconductor business last week for £30 million ($54.3 million). Analysts said that a merger of the Plessey and GEC semiconductor businesses would bolster Plessey's position as the leading British chip maker.

GEC's semiconductor business could be worth up to £30 million, the analysts said, while the combined units of Plessey and Ferranti are valued at about £125 million.

In late trading on the London Stock Exchange, GEC's shares rose 3 pence to 158 pence while Plessey's were unchanged at 127.

Jack Summerscale, an electronics analyst with Barclays de Zoete Wedd, said that it would make sense for GEC to sell off its semiconductor business because it has not been making money in that sector for some time.

GEC reported a pretax profit Tuesday of £284 million for its fiscal first half ended Sept. 30, up 3 percent from £275 million a year earlier. The result was below the expectations of brokers, who had predicted a profit of £290 million to £320 million for the six-month period.

Plessey reported last month that its pretax profit fell 22 percent in its fiscal half ended Oct. 2, to £68.2 million from £87.4 million a year earlier.

Francis Brooke, an industry analyst with the brokers Kleinwort Grieveson Securities, said that the talks on GEC's semiconductor operations also reflected Plessey's desire to "show that the company is still fighting on after receiving lots of bad press over disappointing interim profit figures."

(Reuters, IHT)

Dallas's First Republicbank Expects $325 Million Loss

Reuters

DALLAS — First Republicbank Corp. said Wednesday it expected to post a fourth-quarter loss of between $325 million and $350 million, and that it would suspend quarterly common stock dividends until economic conditions improve.

It said it had declared quarterly dividends on preferred stock. A quarterly dividend of 25 cents a share had been paid on common stock.

In June, First Republicbank said it expected a loss for the full year and that it had increased its loan-loss reserves. Gerald Fronterhouse, chairman and chief executive officer of the bank, said Wednesday that "continued economic weakness throughout Texas and the Southwest, particularly in Texas real estate, is having an unfavorable effect on First Republicbank's earnings performance."

He especially cited a continuing deterioration in current and anticipated appraised market values of real estate pledged as loan collateral and foreclosed properties.

More than half the 76 U.S. bank failures this year have occurred in states with economies dominated by the oil industry: Texas, Oklahoma and Louisiana. In late November, in the largest U.S. government rescue of a thrift institution, federal regulators closed Vernon Savings & Loan Association in Dallas and pledged $1.3 billion to support its successor.

Saatchi Reports 77% Increase In Pretax Profit

Reuters

LONDON — Saatchi & Saatchi Co., the world's largest advertising holding company, reported Wednesday that pretax profit for its fiscal year soared 77 percent to £124.1 million ($225 million at current rates) from £70.1 million a year earlier.

Revenue for the year ending Sept. 30 was £3.95 billion, a 90 percent increase from £2.08 billion a year earlier. The results included the Ted Bates Worldwide Inc. advertising agency and other recent acquisitions.

Saatchi shares soared 21 pence to 394 pence in morning trading on the London Stock Exchange, then settled back to close at 379, up 6 pence from Tuesday's close. Market forecasts for 1986-87 pretax profits had been around £117 million.

Market and industry sources said uncertainty over Saatchi's intentions for expansion had continued since September, when the company made unsuccessful merger approaches to Midland Bank PLC and the merchant bank Hill Samuel Group PLC. Saatchi had put out word that it was eager to diversify into financial services.

Southland Revises $1.5 Billion Financing

United Press International

DALLAS — Southland Corp. has filed a revised plan for a $1.5 billion public debt and warrant offering to finance a merger with the investment firm owned by its founding family.

Southland is the parent of the 7-Eleven convenience store chain.

In a filing Tuesday with the Securities and Exchange Commission, Southland said the offering included $350 million of senior subordinated notes due in 1997; $402 million of senior subordinated discount notes due in 1997; $500 million of subordinated debentures due in 2002, and 946,945 units consisting of an aggregate of $947 million of junior subordinated discount debentures due in 2007 and 26.14 million warrants to purchase common stock.

Proceeds from the sale will provide a portion of the financing necessary to complete a merger acquisition of Southland by shareholders of JT Acquisition Corp. JT Acquisition is an affiliate of The Thompson Co., the investment firm of Southland's founding family.

The closing of the sale of the securities is subject to completion of the merger. Goldman, Sachs & Co. and Salomon Brothers Inc. are acting as underwriters for the offering.

Southland withdrew a similar $1.5 billion offering Nov. 10 in a move attributed in part to a decline in the market for the high-yield, high-risk issues known as junk bonds. But analysts also said then that there was a more fundamental problem: that too many bonds were backed by a company with too little profit.

Southland is the world's largest convenience retailer, with 8,296 7-Eleven and other units, as well as the Southland Foods Divisions' six food centers. It owns a 50 percent interest in Citgo Petroleum Corp. and is the largest independent gasoline retailer in the United States.

Southland also said it was proceeding with previously announced plans to sell off nearly all its assets except for the 7-Eleven stores and its Citgo holding. Those assets include Chief Auto Parts, Tidel Systems, its dairies group and snack foods division, Reddy Ice, Southland Chemical/Food Labs, Movie-Quik and 1,000 7-Eleven stores.

Argyll Group Pretax Profit Nearly Doubles in Fiscal Half

Reuters

LONDON — Argyll Group PLC reported Wednesday that pretax profit for the six months to Oct. 10 was £75.4 million ($135 million), almost a doubling from £38.2 million a year earlier.

Revenue for the British supermarket chain was £1.69 billion, up 59 percent from £1.06 billion in the comparable period of 1986.

Argyll reported that profit before tax and exceptional items rose 112 percent to £80.8 million. The exceptional items included costs of the first phase of reorganization relating to the group's acquisition of the British arm of Safeway Stores Inc.

Argyll's continuing businesses and Safeway, bought in January for £681 million, produced an operating profit of £75.9 million, up 34 percent from £56.5 million a year earlier, the company said.

Last year's results, for 26 weeks ended Sept. 27, 1986, were restated on a 28-week basis comparable to this year's results.

Argyll said that current trading was in line with expectations and that the outlook was encouraging.

"For next year and beyond, the application of Argyll's operating efficiencies and Safeway's strong consumer franchise to the fast growing Safeway store base provides the opportunity for substantial quality earnings growth," Argyll said.

In the first six months, seven new Safeway stores were opened, increasing the total to 142.

Herrhausen Set To Be Deutsche's Sole Chairman

Reuters

DUSSELDORF — Alfred Herrhausen, co-chairman of Deutsche Bank AG, will take charge of West Germany's largest bank when the other co-chairman, F. Wilhelm Christians, steps down in May, Mr. Christians said Wednesday.

The decision, which must be approved May 11 at the annual shareholders meeting, is a departure from the policy of having two chairmen, which began with the departure of Josef Abs as chairman in 1967, a bank spokesman said.

Mr. Christians, who is at the job's mandatory age limit of 65, has presided over a decade of record profits at Deutsche Bank, whose power and influence extend throughout the West German economy.

Mr. Herrhausen, 57, a man of forceful intellect and conservative political views, became a full member of Deutsche Bank's board in 1971, and co-chairman in 1985, replacing Wilfried Guth.

Chancellor Helmut Kohl often seeks Mr. Herrhausen's advice on economic matters.

Pilots, in Blow to Unions, Settle With Pan Am

New York Times Service

NEW YORK — Pan American World Airways has struck an 11th-hour deal with its pilots that could undermine a yearlong attempt by some of the airline's unions to find a buyer for the carrier and replace its management.

According to union sources, Pan Am and its pilots' union reached agreement Tuesday on a four-year contract that would give the pilots a major stake in the company in return for the $55 million a year in concessions that the company had been seeking.

In making the agreement, the pilots appeared to be breaking with the union coalition that persuaded the Pritzker family, owner of Braniff Inc., to make an offer for Pan American World Airways, a unit of Pan Am Corp.

The agreement came just before the board was to meet to consider the Braniff offer. At the meeting, the directors decided to take no action on the offer, union officials and sources close to the board said.

It was unclear why the pilots had agreed to make the concessions after working so hard with three other unions to find an outside investor interested in acquiring the airline.

However, some sources in the pilots' union, which is part of the Air Line Pilots Association, said many union members were deeply worried about how they would fare under Braniff's control. Under a contract with the association, Braniff's pilots are paid far less than Pan Am's and have to work more hours. The sources said there were fears among some pilots and union leaders that Jay A. Pritzker, Braniff's chairman, might try to impose the Braniff pact on Pan Am pilots.

Union sources said $30 million of the pilots' concessions would be in wages and $25 million in the form of more flexible work rules.

Margaret Brennan, head of both the Independent Union of Flight Attendants and the four-union coalition that includes the pilots, flight attendants, the Teamsters and the Flight Engineers International Association, said it was highly unlikely that the other unions would make similar concessions to the current Pan Am management.

She insisted that the pilots' agreement would not be fatal to the coalition's efforts to find a buyer, and said the pilots still could agree to give concessions to the Pritzkers or some other buyer.

Pan Am's largest union, the Transport Workers Union, did not join the coalition and has been seeking to negotiate a new contract.

The coalition had given the Pritzkers a signed letter in which it promised to support a plan for the unions to make $200 million a year in concessions if the Pritzkers gained control of Pan Am and provided new management and new capital. Members of the individual unions still would have to ratify those concessions.

Still, the pilots' new contract seemed to give Pan Am's management significant leverage in its fight to extract the concessions from other unions needed to make the debt-burdened airline financially viable.

The pact also represents the first real breakthrough that the management team headed by C. Edward Acker, Pan Am's chairman and chief executive, has had in attempting to persuade Pan Am's board to support its business plan and reject outside offers.

SPACE: *U.S. Awards 4 Contracts for Station, but Federal Deficit Cuts Loom*

(Continued from first finance page)

ics charge that NASA's budget of $13.6 billion for the first and largest phase of the program vastly understates its likely final cost. Some estimates are that the station could eventually cost $30 billion.

The program also faces logistical and political hurdles. Debate continues about whether the station should have a military role. Progress in arranging participation by European countries, Japan and Canada has been slower than expected. And some scientists are questioning whether the money could be better spent on unmanned programs, or a scaled-back station.

Many experts think that changes in the program's magnitude, or at least in its schedule, are inevitable.

The winning companies, however, viewed the receipt of the contracts not only as a financial victory but as a sign that the U.S. space program was finally getting back on track nearly two years after the explosion of the space shuttle Challenger. The Soviet Union, moreover, has gained a substantial edge in manned space flight with its Mir space station.

Mr. Pike said that many experts see the station as "a capability in search of a mission."

Supporters see the station as the gateway to using space as a laboratory for scientific research and commercial applications, including development of pharmaceuticals and high-technology materials for computers.

Analysts said the companies would not make much, if any, profit on the program for years at least. The payoff would come if the station became a launching point for more ambitious exploration and research.

Some space experts question NASA's reliance on the space shuttle to ferry the station's parts into space, where they will be assembled, something like a Tinkertoy, by space-walking astronauts.

Analysts said the winning companies would not make much, if any, profit on the program for several years at least. The payoff, they said, would come if the station is expanded or becomes the launching point for more ambitious space exploration or commercial research and manufacturing activities.

Work on the station is divided into four packages. Boeing will lead a team that will build the living and working quarters. It estimated the cost of the first and largest phase of the work at $750 million. That figure does not include its profit margin or reserves for unexpected expenditures, and analysts think the total contract could eventually be worth more than $2 billion.

Boeing beat out Martin Marietta for the contract in what analysts said was the closest of the competitions.

McDonnell Douglas won a contract to build the structural framework of the station and its guidance, navigation and control systems. It estimated the cost of the first phase of the work at $1.9 billion, but analysts think the total value of the contract eventually will be about $4 billion.

McDonnell Douglas edged out Rockwell for that contract. But Rockwell, through its Rocketdyne division, won a separate contract to build the station's solar power system. That contract is initially worth at least $1.6 billion and could reach $2.5 billion or more.

General Electric's contract is to build a free-flying platform that will carry scientific instruments in a polar orbit. Much of the work is expected to be done in Pennsylvania and New Jersey. The contract's value will be at least $800 million, although many experts think the free-flying platform will be the first part of the program to be eliminated or delayed if budget cutting threatens the station.

Wednesday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

12 Month High Low Stock Div. Yld. PE Sls. 100s High Low Close Quot. Ch'ge

A

B

C

D

E

F

G

H

I

J

K

L

M

N

O

P

Q

R

S

T

(Continued on next page)

Floating-Rate Notes

Dec. 2

Dollars

Issuer/Mat. Coupon Next Bid Asked

Pounds Sterling

Deutsche Marks

Japanese Yen

E.C.U.

Source: Credit Suisse-First Boston Ltd. London

هكذا من الأصل

CURRENCY MARKETS

Dollar Lower in New York Trading

Compiled by Our Staff From Dispatches

NEW YORK — The dollar fell Wednesday in New York against major foreign currencies, hurt by a report from unnamed sources that the White House was unwilling to take action to support the currency.

"The dollar was dealt a bad blow late in the afternoon when traders heard a report quoting an unnamed senior administration official saying the White House is content to let the dollar fall to whatever level it goes to," said Gopalan Nair, head foreign exchange trader for Drexel Burnham Lambert Inc.

Mr. Nair said the report contradicted a statement by President Ronald Reagan in mid-November that the White House was preparing to take action to help brake the dollar's slide.

In New York, the dollar closed at 1.6460 Deutsche marks, down from 1.6555 at Tuesday's close; at 132.45 yen, down from 133.40; at 5.5930 French francs, down from 5.6310, and at 1.3465 Swiss francs, down from 1.3565.

The British pound also gained against the dollar, closing at $1.8200, compared with $1.8105.

Earlier in London, the dollar closed steady to slightly higher in volatile, nervous trading dominated by speculation about West Germany's attitude toward international economic cooperation, dealers said.

Attention was also firmly focused on a meeting Thursday of the policy-making committee of the Bundesbank, which currency markets expected would offer some indication of whether West Germany would cut its 3 percent discount rate.

The dollar closed in London at 1.6530 DM, up from 1.6480 DM on Tuesday, and at 132.80 yen, barely changed from 132.90. The U.S. currency also edged up to 1.3525 Swiss francs from 1.3490 and to 5.6198 French francs from 5.6088.

The British pound slipped to $1.8120 from $1.8185.

Dealers said a Bundesbank discount-rate cut would be interpreted as a gesture of goodwill toward the United States, which sees expansive action by other members of the Group of Seven major industrialized nations as a vital complement of its own budget-cutting package.

A rate cut also would pave the way for a meeting of the Group of Seven and a possible new agreement to stabilize currency values, economists say.

But doubts crept in during Wednesday's trading when Finance Minister Gerhard Stoltenberg of West Germany appeared to rule out an early Group of Seven meeting, and when the Bundesbank announced that it would not hold a news conference after Thursday's meeting, dealers said.

"The fact they're not holding a press conference is not a good sign" said one dealer with a U.S. bank. "But they may still announce something," since the central bank does not always hold news conferences when it shifts monetary policy.

In earlier European trading, the dollar was fixed in Frankfurt at 1.6575 DM, up from 1.6536 Tuesday, and in Paris at 5.6330 French francs, up from 5.6195. It closed in Zurich at 1.3530 Swiss francs, up from 1.3525. *(Reuters, UPI)*

London Dollar Rates

Closing	Wed.	Tue.
Deutsche mark	1.6530	1.6480
Pound sterling	1.8120	1.8185
Japanese yen	132.80	132.90
Swiss franc	1.3525	1.3490
French franc	5.6198	5.6088

Source: Reuters

Gold Prices Ease By $2.50 in N.Y.

Reuters

NEW YORK — Gold prices eased Wednesday as dealers sold on expectations that a cut in West Germany's discount rate would boost the dollar.

On the New York Commodity Exchange, February gold fell $2.50 from Tuesday's close, to $493.70 an ounce, after hitting a high of $498.80.

On London's spot market, the metal closed at $489.75 an ounce, down from the $492.25 finish on Tuesday, but above the opening of $488.55. Some traders traced its rise to short-covering after overnight losses in Asia. Dealers said the metal appeared to be confined in a tight range, with resistance at $493 and support at $487.

Markets Focus on Odds of Bundesbank Rate Cut

By Ferdinand Protzman

International Herald Tribune

FRANKFURT — The Bundesbank, West Germany's central bank, is expected to cut its discount rate Thursday to 2.50 percent from 3.0 percent, senior Frankfurt banking sources said Wednesday.

The cut in the rate is designed to help prop up the dollar and send a strong signal of West Germany's willingness to take firm action to promote global economic stability, they said.

The Bundesbank, however, gave no sign that it would cut the rate, and some analysts said its intentions were not as clear-cut as they had seemed earlier in the week.

The sources said the Bundesbank's policy-setting council would cut the rate to a record low of 2.50 percent at its biweekly meeting on Thursday. The discount rate, the fee charged on banks' borrowing from the central bank against securities as collateral, is also the benchmark rate for commercial lending.

Reports of a split within the 17-member council on the discount rate have been exaggerated, the sources said.

"While there are council members who question whether a rate cut is warranted based on pure economics, they are in broad agreement that the current world economic situation is precarious and that political and psychological factors are dominant," said a source close to the Bundesbank. "They do not operate in a political vacuum.

"The intent is to send a firm, clear signal to the markets and their trading partners that West Germany will do whatever is necessary to help keep control of the situation."

The move to cut the rate also would emphasize West Germany's desire for a meeting of the seven leading industrial democracies, he added. "The feeling is that West Germany can go into such a meeting now and say to the Americans, 'We have done what we can. Now we need action from you.' "

Stable exchange rates are also vital to West German economic growth, he said. "It is clear: Our economy must export. Companies can cope with a low dollar, but not with a dollar/Deutsche mark rate that is constantly shifting."

Senior banking sources said a rate cut would remove any obstacles to a meeting soon by the Group of Seven industrial nations. West Germany is pushing for a meeting in hopes that it would yield a pact similar to February's Louvre accord, which stabilized foreign exchange rates for about six months.

Other sources said the central bank was aware that a discount rate cut was likely to have only a fleeting positive effect on the dollar.

"A discount rate cut has been factored into current exchange rates," said a senior foreign exchange dealer at a Frankfurt bank. "But these are the steps that must be taken to safeguard the global economy."

But Alfred Herrhausen, co-chairman of Deutsche Bank AG, West Germany's largest commercial bank, said Wednesday that "a half-percentage-point cut in the discount rate would be desirable."

Mr. Herrhausen said he was skeptical that purely monetary measures could bring the situation under control. "There is no high road out of this crisis," he said. "We need multinational action and a new international accord."

■ Swiss Cut Expected to Follow

The Swiss National Bank may match any discount rate cut by the Bundesbank as a gesture of international solidarity and to prevent the Swiss franc from rising against the mark, Swiss analysts quoted by Reuters said in Zurich.

BONN: *Reaction Mixed on Package to Stimulate West German Economy*

(Continued from Page 1)

and bankers, the government's move was not expected to have much impact, but many still greeted it as an indication that the government was at least recognizing the need to take initiative.

Bankers and business executives have argued that the only really effective step the government could take to stimulate the West German economy would be to move up tax cuts scheduled for 1990, but the government has rejected the option.

"One may ask whether these measures are enough, or the last word, or whether they should be commended at all, but at least it's a change in attitude," said Ernest-Moritz Lipp, chief economist for Dresdner Bank in Frankfurt. "I do not think it's pure window dressing — I see real change in attitudes concerning macroeconomic policy with both the central bank and the government."

Mr. Lipp said the offer of credit through KfW was one of the few easily accessible instruments the government had at its disposal. Most other measures, he said, would have required either parliamentary approval or action through the state governments.

Skeptics about the efficacy of the move included Otto Lambsdorff, the influential former economics minister who has urged the government to use its constitutional power to cut taxes immediately by up to 10 percent.

"I have strongly argued against the plan adopted today," he said. "I don't think it's helpful. The amount of money involved will not solve the problem of worldwide disequilibrium, and it will convince no one."

The West German banking association, BDB, said it was doubtful that the plan would be enough to stimulate the economy. "Additional tax measures would be more effective," a BDB statement said, and the association once again called on the government to speed up its tax reform.

The cooperative banks association, BVR, said the government's plan would not produce the desired results at home nor have a positive influence on international financial markets. It also means that economic growth would once again be dependent on government-spending programs rather than private enterprise, BVR said.

Alfred Herrhausen, co-chairman of Deutsche Bank AG, West Germany's largest commercial bank, said, "It may be that this package is along the right lines, but whether it actually will have the desired effect is an open question."

The West German government adopted similar measures in 1981 that were only partially successful, he said. "While the 21 billion DM volume of the program is a high sum, it will be spread over three years," he said, "and only 6 billion DM will go to industry."

The rest — or 15 billion DM — will be made available to municipalities, which used less than 50 percent of the money made available to them in the 1981 plan.

He said the West German economy needs "a push for new deregulation and new flexibility."

(NYT, IHT, Reuters)

Nippon Life Sees Dollar Lower Yet

Agence France-Presse

TOKYO — Nippon Life Insurance Co., Japan's largest private institutional investor, predicted Wednesday that the dollar would fall to 125 yen next year, mainly because of Japan's huge trade surplus.

Japan's merchandise trade surplus will fall only slightly, from $92 billion in the year ending March 31 to $89.1 billion the next fiscal year, Nippon predicted in its 1988 forecast.

Nippon Life also said it expected U.S. economic growth, as measured by gross national product, to fall from 3 percent in calendar 1987 to 1.8 percent in 1988.

Japan Rules Out Rate Cut

Agence France-Presse

TOKYO — Satoshi Sumita, the governor of the Bank of Japan, said Wednesday that the central bank would not lower its discount rate further in accordance with any cut in West Germany's rate.

"Our discount rate is the lowest in advanced countries. We do not think a further cut is necessary in relation with other countries," Mr. Sumita said at a news conference.

The Bundesbank, West Germany's central bank, is reportedly planning to cut the benchmark discount rate from 3 percent to 2.5 percent on Thursday to help support the ailing dollar.

Japan's discount rate, the fee charged on bank borrowings from the central bank, is now at 2.5 percent.

The dollar plunged to record lows against the British pound and the yen on Monday, then rebounded Tuesday after the Bank of Japan intervened in the Tokyo market. Foreign exchange dealers and analysts agree that growing disillusionment with the U.S. budget deficit-reduction package has sent the dollar plunging.

Asked whether a Group of Seven meeting of leading industrial nations would be held once concrete measures on the U.S. deficit are decided, Mr. Sumita said, "I don't know. The meeting must show that the policy cooperation among G-7 countries is intact. But what the new policy coordination will be is still undecided."

The Group of Seven includes the United States, Japan, West Germany, France, Britain, Italy and Canada.

Wednesday's OTC Prices

NASDAQ prices as of 4 p.m. New York time.

This list, compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

Via The Associated Press

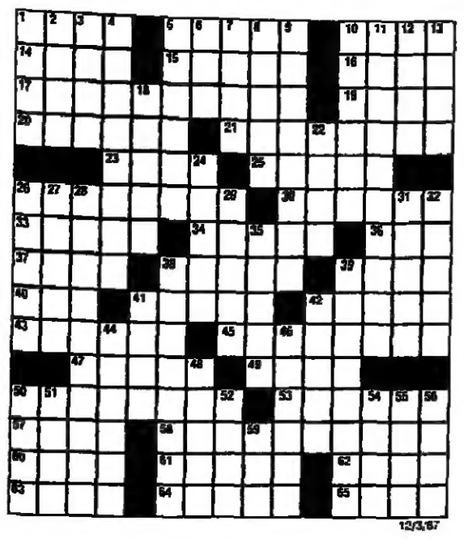
Wednesday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s). b — annual rate of dividend plus stock dividend. c — liquidating dividend. cld — called. d — new yearly low. e — dividend declared or paid in preceding 12 months. g — dividend in Canadian funds, subject to 15% non-residence tax. i — dividend declared after split-up or stock dividend. j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k — dividend declared or paid this year, an accumulative issue with dividends in arrears. n — new issue in the past 52 weeks. The high-low range begins with the start of trading. nd — next day delivery. P/E — price-earnings ratio. r — dividend declared or paid in preceding 12 months, plus stock dividend. s — stock split. Dividend begins with date of split. sls — sales. t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u — new yearly high. v — trading halted. vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd — when distributed. wi — when issued. ww — with warrants. x — ex-dividend or ex-rights. xdis — ex-distribution. xw — without warrants. y — ex-dividend and sales in full. yld — yield. z — sales in full.



ACROSS

1 Goals
5 Twiggy broom
10 One of a cautionary trio
14 Boodle
15 Soprano Lucine
16 Malay canoe
17 Incredible
19 Layers
20 Hemoglobin deficiency
21 Table doily
23 Pops' partners
25 Gawk
26 London and Paris, e.g.
30 Heretofore, to the Bard
33 Brings home the bacon
34 Egyptian dancing girls
36 Protein synthesizer in genes
37 Long, exhausting march
38 So long, in Sevilla
39 Mint
40 Knight or Weems
41 Speedy
42 Béarnaise, e.g.
43 Critter
45 Cold-shouldered
47 Round dance
49 —— -*majesté*
50 Wry expressions
53 Gamuts
57 Amplitude
58 Incredible
60 Polynesian demon
61 Natterjacks
62 Mine entrance
63 Nickname for Elizabeth I
64 A Lauder
65 Cincinnati team

DOWN

1 Famed lioness
2 This may be proper
3 Inside info
4 Skier's maneuver
5 Type of grass
6 Second-largest bird
7 Coarsely ground corn
8 Certain exams
9 Dugongs' cousins
10 Area
11 Incredible
12 Chaplin's widow
13 Ancient history
18 *Donnybrooks*
22 Favorite U.S. transporters
24 "Susie" author: 1947
26 Pelota basket
27 West German city
28 Incredible
29 Wilier
31 In the bag
32 Declined
35 Motorist's day's-end quest
38 Earmark
39 List or register
41 Part song
42 Lazy ——
44 See 23 Across
46 Read carefully
48 Cuban dollars
50 Kind of bag
51 Mechanical procedure
52 Rodin output: Abbr.
54 He wrote "Isabelle"
55 Novelist Bagnold
56 Corps.' bosses
59 Epicedium

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DENNIS THE MENACE

"I'M IN A HURRY. CAN'T YOU PUT THE MICROWAVE ON FAST FORWARD?"

JUMBLE.

THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

CYDER

ROHNO

GELISH

KRUNEB

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: "○○○○"

(Answers tomorrow.

Yesterday's | Jumbles: MERGE DELVE VANDAL PRIMED
Answer: Insults that are not "called for" are often this—DELIVERED

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	17	63	12	54	o
Amsterdam	3	37	1	34	o
Athens	13	55	12	54	r
Barcelona	11	52	5	41	cl
Belgrade	4	39	4	39	o
Berlin	4	39	0	32	o
Brussels	2	36	0	32	cl
Budapest	4	39	3	37	r
Copenhagen	2	36	0	32	cl
Costa Del Sol	15	59	12	54	o
Dublin	8	46	7	45	cl
Edinburgh	8	46	3	37	fr
Florence	9	48	7	45	r
Frankfurt	3	37	1	34	o
Geneva	4	39	3	37	o
Helsinki	3	37	-1	30	o
Las Palmas	22	72	18	64	o
Lisbon	9	48	8	46	r
London	5	41	5	41	sh
Madrid	2	36	-4	25	sw
Milan	11	52	5	41	fr
Moscow	0	32	-1	30	o
Munich	0	32	0	32	o
Nice	14	57	6	43	fr
Oslo	-3	27	-8	18	cl
Paris	3	37	1	34	o
Prague	0	32	0	32	sw
Reykjavik	9	48	7	45	r
Rome	14	57	6	43	fr
Stockholm	1	34	-2	28	cl
Strasbourg	3	37	2	36	o
Venice	10	50	4	39	fr
Vienna	2	36	1	34	sw
Warsaw	2	36	0	32	o
Zurich	2	36	-1	30	o
MIDDLE EAST					
Ankara	12	54	-1	30	cl
Beirut	—	—	—	—	na
Cairo	22	72	15	59	cl
Damascus	—	—	—	—	na
Istanbul	12	54	9	48	r
Jerusalem	19	66	12	54	cl
Tel Aviv	22	72	17	54	cl
OCEANIA					
Auckland	—	—	—	—	na
Sydney	20	68	16	61	cl

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	25	77	18	64	cl
Beijing	-1	30	-7	19	fr
Hong Kong	13	55	10	50	o
Manila	28	82	25	77	o
New Delhi	26	79	12	54	fr
Seoul	-1	30	-8	18	o
Shanghai	4	39	-2	28	o
Singapore	30	86	25	77	st
Taipei	15	59	13	55	o
Tokyo	9	48	5	41	fr
AFRICA					
Algiers	17	63	4	39	o
Cape Town	—	—	—	—	na
Casablanca	20	68	13	55	cl
Harare	—	—	—	—	na
Lagos	30	86	26	79	o
Nairobi	25	77	16	61	o
Tunis	17	63	5	41	cl
LATIN AMERICA					
Buenos Aires	27	81	18	64	o
Caracas	—	—	—	—	na
Lima	21	70	20	68	o
Mexico City	23	73	10	50	pc
Rio de Janeiro	—	—	—	—	na
NORTH AMERICA					
Anchorage	12	54	1	34	fr
Atlanta	—	—	—	—	na
Boston	—	—	—	—	na
Chicago	—	—	—	—	na
Denver	—	—	—	—	na
Detroit	1	34	-2	28	fr
Honolulu	28	82	21	70	pc
Houston	19	66	6	43	fr
Los Angeles	19	66	11	52	pc
Miami	24	75	14	57	fr
Minneapolis	-1	30	-5	23	sw
Montreal	1	34	-6	21	pc
Nassau	24	75	20	68	cl
New York	6	43	-1	30	sw
San Francisco	15	59	17	63	fr
Seattle	10	50	8	46	r
Toronto	0	32	-5	23	pc
Washington	8	46	-1	30	fr

cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sw-snow; st-stormy.

THURSDAY'S FORECAST — CHANNEL: Rough. FRANKFURT: Overcast. Temp. 3—1 (37—34). LONDON: Overcast. Temp. 6—4 (43—39). MADRID: Rain. Temp. 4—1 (39—34). NEW YORK: Fair. Temp. 7— -2 (45—28). PARIS: Haze. Temp. 5—1 (41—34). ROME: Partly cloudy. Temp. 14—6 (57—43). TEL AVIV: Not available. ZURICH: Cloudy. Temp. 3—0 (37—32). BANGKOK: Fair. Temp. 28—17 (82—63). HONG KONG: Cloudy. Temp. 15—10 (59—50). MANILA: Thunderstorms. Temp. 31—24 (88—75). SEOUL: Snow. Temp. -1— -10 (30—14). SINGAPORE: Thunderstorms. Temp. 32—25 (0—77). TOKYO: Fair. Temp. 10—4 (50—39).

PEANUTS

BLONDIE

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ANDY CAPP

WIZARD of ID

REX MORGAN

GARFIELD

BOOKS

SQUANDERING EDEN: Africa at the Edge

By Mort Rosenblum and Doug Williamson. 291 pages. $19.95. Harcourt Brace Jovanovich, 1250 Sixth Avenue, San Diego, Calif. 92101.

Reviewed by Barry James

ELUSIVE behind "numbing statistics of dubious reliability," a great tragedy is in the making, according to the authors of this polemical and topical survey of Africa.

Because too little thought is given to balanced long-term development, and too much cash is poured into schemes that often benefit the rich but leave the poor with "plundered land," the authors argue that "huge tracts of Africa are dying in stages" as rangeland deteriorates, forests get pushed back and wildlife species are driven from their habitats. Skewed development is made worse by corruption on a massive scale and the inexorable pressure of unchecked population growth.

"The victims are not only the individuals who wither away waiting for food, but also entire societies, populations of game, prey and predators, and the land they lived on." Man is the cause, the authors insist, not nature.

Mort Rosenblum, a senior Associated Press correspondent who knows Africa intimately, pooled his notes with Doug Williamson, a scientist working in the Kalahari region of southern Africa. "Over two decades," they write, "each of us had seen similar things and drawn the same conclusions."

They argue that African societies have gone astray because they have ignored native talent and respect for the environment in favor of imported and frequently misguided solutions to their development needs, be it Marxism in Ethiopia or International Monetary Fund medicine in Ghana.

African farmers can grow grain in soil "a Nebraskan would use for cement," and African market women possess keen capitalist instincts, yet such skills are too often ignored or underexploited, the authors say. Instead, "outsiders and African leaders alike have treated the people on whom development depends as passive bystanders. Outside assistance has overwhelmed some of their skills, and the young are not learning them."

The authors do not argue against emergency food aid when people are starving, but they say that all too often "ill-timed food aid floods African markets, just as African farmers harvest their crops," thus driving down prices. Wealthy countries find it more expedient to give away food they don't need than to help Africans grow and, above all, transport their own food.

There has been no shortage of aid. In the 16 years ending in 1986, Western donors sent $116 billion to sub-Saharan Africa. But much of it was money wasted. "A lot went back to donors, paid out to experts for dubious advice," the authors say. "Africans stole some and wasted more. Some of it went to badly conceived projects which ruined good land and dispersed productive societies and even more went to prop up corrupt, tyrannical, or simply inefficient governments."

That said, there is little left over for worthwhile, long-term development, and the continent's environment meanwhile decays for lack of cash and commitment. One example among many: In Madagascar — once forested with tall hardwood trees, now "the most eroded place on earth," according to the World Bank — the national Water and Forest Administration disposes of an operating budget of only $900 a year after salaries have been paid.

The book is generally scornful of Africa's ruling elite, noting that "since the wave of independence, not a single group in any country has stepped aside for an elected opponent." African rulers turned a blind eye "when a string of tyrants massacred three quarters of a million Ugandans" and lavish benefits on themselves while running formerly rich countries into the ground, the authors say. Ethiopia's Marxist regime blithely condemns South Africa for imposing a curfew, clamping down on the press and holding people up to six months without trial, yet "you can be shot for breaking curfew in Ethiopia. Prisoners have been waiting 12 years to see a judge for the first time. Every word in the papers is rigidly controlled."

If African governments have failed; if the 80,000 foreign experts in Africa have failed; if Western donors and international organizations have failed, is there any hope for a threatened environment? If all the experts were to go home, would things get suddenly better? If corrupt elites were swept aside, who or what would take their place? Rosenblum and Williams are long on spotting the problems, but perhaps short on supplying possible solutions and answers. But they would argue that this is not their job, nor is it the job of other outsiders, to suggest how Africans should run their lives.

"It is time outsiders stepped back and let Africans take the lead," they say. Help is needed, not interference. Aid is needed not in short bursts when famine tugs the heartstrings but steadily and consistently over the years to "help Africans regain their confidence, pick up their own rhythm and rescue their own future."

Barry James is on the staff of the International Herald Tribune.

Solution to Previous Puzzle

L	O	G	S		S	A	T	E		C	A	R	O	B
A	S	E	A		U	R	S	A		O	L	I	V	E
I	S	A	R		S	E	A	R		N	I	L	E	S
C	A	R	D	S	H	A	R	P		V	E	E	R	S
			O	E	I	L			S	U	N			
H	A	S	N	T			R	E	E	L	S	O	F	F
A	L	L	I		E	D	I	L	E	S		L	I	E
B	L	A	C	K	J	A	C	K	D	E	A	L	E	R
E	I	N		L	E	V	E	E	S		L	I	N	N
R	E	T	R	A	C	E	D			S	L	E	D	S
			H	I	T			M	U	S	E			
S	T	R	O	P		T	W	E	N	T	Y	O	N	E
T	R	A	D	E		B	A	R	I		C	O	E	D
A	I	M	E	D		A	D	I	T		A	Z	A	N
B	O	S	S	A		R	E	T	E		T	E	R	A

12/3/87

BRIDGE

By Alan Truscott

IF an intermediate player is considering buying a bridge book, he is entitled to ask, "How much will it tell me that I did not know before?" The answer may be, "Nothing, a little, quite a lot or a great deal." One of the rare books that get the "great deal" rating is "100 Winning Bridge Tips" by the Australian expert Ron Klinger. The reader who wishes to verify whether Klinger's tips would help should cover the East-West hands in the diagram and plan the play in six no-trump. East has opened with a weak two-spade bid, and the spade ace is held up for a round. What next?

If you plan simply to cash your club winners, you have missed the point and should study Klinger's tip: "When running suits like K-Q-J-x opposite A-10-x-x, you can choose the order in which the winners are played, and may be able to force the opponent shorter in the suits to make two or more discards before receiving a useful signal from his partner." Thinking on these lines should produce the right answer. If anybody is going to have a discarding problem, it must be West, for East cannot be long in both red suits as well as spades. So we must start with the king, queen and jack of clubs. West has no trouble yet. He throws a diamond. But he will have to guess next time, with no substantial clue, when the fourth round of clubs is led from the South hand. There is a slight clue pointing in the wrong direction. With his actual hand, South might have doubled two spades for takeout, in the hope of finding a heart fit. So West is quite likely to throw a heart and allow the slam to make. But if South misplays the clubs and leads the fourth round from the dummy, East can throw either red eight to suggest a doubleton. And West will count carefully and save his hearts. That particular Klinger tip is really for the experts, many of whom would miss the point in the play of the clubs. The other 99 tips are not quite on the same high plane, and therefore entirely suitable for players of moderate strength.

NORTH
♠7 6 5
♡A Q 2
♢A Q 2
♣A 10 7 2

WEST
♠4 3
♡J 9 7 4
♢J 9 7 4 3
♣9 4

EAST (D)
♠K Q J 10 9 2
♡8 5
♢8 5
♣6 5 3

SOUTH
♠A 8
♡K 10 6 3
♢K 10 6
♣K Q J 8

North and South were vulnerable
The bidding:

East	South	West	North
2♠	2 N.T.	Pass	6 N.T.
Pass	Pass	Pass	

West led the spade four.

World Stock Markets

Via Agence France Presse Closing prices in local currencies, Dec. 2

Amsterdam

	Close	Prev.
ABN	39.30	39.40
ACF Holding	39.50	40
Aegon	52.70	50.50
Akzo	85.20	85.50
Ahold	60	60.50
Amev	35.60	36.80
A'Dam Rubber	9.50	9.30
Amro Bank	57.10	57
BVG	3.50	3.50
Buhrmann T.	39.80	39.70
Caland Hldg	13.70	14.20
Elsevier	34	35
Fokker	22.90	22.90
Gist Brocades	26.10	26.60
Heineken	115.30	116.50
Hoogovens	26.10	26.10
KLM	27	27.50
Nat Neder	47.20	46.80
Nedlloyd	108	111
NMB	118.50	120
Oce Vander G	160	170
Pakhoed	54.70	55.70
Philips	28.50	29.40
Robeco	80.60	81.20
Rodamco	142.30	142.40
Rolinco	71.50	73.60
Rorento	53.20	53.10
Royal Dutch	193	196.50
Unilever	100.30	99.70
Van Ommeren	21.90	21.40
VMF Stork	72.10	72.20
VNU	50.70	50.70

ANP-CBS index: 285.10
Previous: 286.20

Brussels

Arbed	1220	1232
Bekaert	7510	[illegible]
Cockerill	132	130
Cobepa	4245	4140
EBES	4335	4315
GB-Inno-BM	864	854
GBL	2220	2300
Soc Generale	2310	2280
Gevaert	6020	5960
Hoboken	5260	5700
Intercom	3250	3335
Kredietbank	3220	3200
Petrofina	8950	8840
Sofina	9200	9210
Solvay	9750	9500
Traction Elec	5060	5150
UCB	7140	7140
Unerg	2450	2435
Vieille Montagne	6100	5950

Current Stock Index: 3488.82
Previous: 3665.86

Frankfurt

AEG	229.30	217.50
Allianz Vers	1185	1125
Altana	310	310
BASF	258	255.70
Bayer	266.30	264.30
Bay. Hypo bank	323.50	318
Bay Vereinsbank	329	329.50
BBC	284	292
BHF-Bank	337	336
BMW	425	425.50
Commerzbank	222	217.80
Conti Gummi	225.20	223.10
Daimler-Benz	632.50	628.50
Degussa	327	324
Deutsche Babcock	156	152
Deutsche Bank	409.50	405.50
Dresdner Bank	236	227.50
Harpener	248.50	249.20
Henkel	506	510
Hochtief	435	412
Hoechst	262.50	260.30
Hoesch	96	97.50
Horten	173	174
Hussel	450	445
IWKA	161	162
Kali + Salz	130.20	130
Karstadt	475.50	471
Kaufhof	427.50	420
Kloeckner HD	88.80	90
Kloeckner Werke	94	90
Krupp Stahl	86	85
Linde	510	498
Lufthansa	126	127.10
MAN	126	121
Mannesmann	111	114.20
Muench Rueck	1875	1875
Nixdorf	547	538
PKI	593	592
Porsche	440	435
Preussag	127	128
PWA	175.50	168
RWE	219	219.50
Rheinmetall	235	231
Schering	384.90	394
SEL	254	249.50
Siemens	386	374
Thyssen	102.50	102.20
Veba	277	274.50
Volkswagenwerk	240	238.50
Wella	406	425

Commerzbank Index: 1332.20
Previous: 1325.70

Helsinki

Amer A	206	209
Enso-Gutzeit	32	31
Finnish Sugar	58	50
K.O.P.	60	60
Kymmene	107	N.Q.
Nokia	205	208
Pohjola	130	129
Wartsila	385	365

Unitas Index: 572.60
Previous: 575.40

Hong Kong

Bk East Asia	17.70	17.80
Cathay Pacific	5.10	5.10
Cheung Kong	6.30	6.35
China Light	N.A.	—
Green Island	7.85	7.95
Hang Seng Bank	26.60	26.50
Henderson	3.475	3.50
HK China Gas	11.70	11.60
HK Electric	6.85	6.90
HK Realty A	3.70	3.725
HK Hotels	38	38.75
HK Land	6.95	6.95
HK Shang Bank	6.80	6.80
HK Telephone	11.40	11.30
HK Yaumatei	4.25	4.25
HK Wharf	5.40	5.50
Hutch Whampoa	6.60	6.75
Hysan	0.79	0.79
Jardine	9.20	9.40
Jardine Sec	6.60	6.75
Kowloon Motor	9.10	9.20
Miramar Hotel	5.90	5.80
New World	6.85	6.90
SHK Props	8.20	8.25
Stelux	4.15	4.25
Swire Pac A	13	12.90
Tai Cheung	3	3
Wing On Co	2.025	2.05
Winsor	7.20	7.30
World Int'l	2.30	2.225

Hang Seng Index: 2180.82
Previous: 2168.65

Johannesburg

AECI	1050	1000
Anglo American	6400	6250
Barlows	2275	2125
Blyvoor	2000	2050
Buffels	6350	6250
GFSA	6700	6350
Harmony	3875	N.Q.
Hiveld Steel	450	475
Kloof	4250	4125
Nedbank	560	560
Rusplat	3325	3325
SA Brews	1625	1625
St Helena	4400	N.Q.
Sasol	845	840
Welkom	2950	2950

Composite Stock Index: 1915
Previous: 1875

London

AA Corp $	21⅛	20⅞
Allied Lyons	332	321
Anglo-Am Gld $	113¾	111¼
Ass Brit Foods	298	295
Asda-MFI Gp	158	159
Barclays	440	434
Bass	777	777
B.A.T.	404	403
Beecham	434	425
Blue Circle	299	291
Boc Group	330	347
Boots	209	214
Bowater Ind.	297	298
British Aero.	295	273
Britoil	163	179
BP	234	240
British Telec.	209	213
Btr	256	249
Burmah	376	383
Cable Wireless	304	298
Cadbury Schw	235	231
Charter Cons.	298	296
Commercial U	295	291
Cons Gold Field	920	880
Cookson Group	450	441
Courtaulds	320	318
Dalgety	289	282
De Beers	10¾	10½
Driefontein $	14	13¾
Fisons	230	234
Freegold $	14⅞	14⅞
Gen Accident	765	758
GEC	158	155
GKN	254	253
Glaxo	10	993
Grand Met	378	377
GRE	775	780
Guinness	262	244
Gus	16⅛	16⅛
Hanson	122	122
Hawker	410	399
ICI	975	973
Jaguar	275	279
Lands Sec	450	413
Legal and Gen	250	244
Lloyds Bank	225	223
Lonrho	217	212
Lucas	481	479
Marks & Sp	170	173
Metal Box	178	169
Midland Bank	360	353
Nat.West.Bank	520	517
P and O	490	484
Pilkington	188	187
Plessey	127	128
Prudential	735	745
Racal Electric.	221	223
Randfontein $	100	100
Rank	514	511
Reed Internat.	350	345
Reuters	398	399
Rover	70	70
Royal Dutch	57¾	58⅛
RTZ	330	338
Saatchi	379	373
Sainsbury	212	212
Sears Holding	125	126
Shell	930	973
STC	196	190
Std Chart.Bank	450	445
Storehouse	249	267
Sun alliance	748	738
Tate and Lyle	658	657
Tesco	158	153
Thorn Emi	538	535
T.I. Group	255	253
Trafalgar Hse	304	300
THF	192	184
Ultramar	140	149
Unilever	445	443
United Biscuits	238	226
Vickers	136	133
War Loan 3½ £	[illegible]	[illegible]
Woolworth	228	[illegible]

F.T.30 Index: 1266.90
Previous: 1249.80
F.T.S.E.100 Index: 1598.30
Previous: 1578.50

Madrid

Banco Santander	1073	1073
CEPSA	409.50	425
Dragados	298	305
Expl. Rio Tinto	348	305
Hidroelec. Esp.	N.A.	80
Telefonica	N.A.	—

General Index: 207.50
Previous: 211.54

Milan

Banca Comm	2595	2500
Cigahotels	3530	3480
CIR	3900	3520
Cred Ital	1575	1550
Eridania	3180	3780
Farmitalia	9000	9000
Fiat	8915	8701
Generali	91800	90600
IFI	20810	22590
Italcementi	102800	100700
Italgas	2298	2300
Italmobiliari	116200	114500
Mediobanca	209800	209900
Montedison	1522	1525
NBA	2709	2650
Olivetti	8096	7950
Pirelli	3381	3380
RAS	42500	41510
Rinascente	3807	3855
SIP	1941	1980
SME	1703	1690
Snia	2781	2777
Standa	11800	11350
Stet	2510	2563

MIB Current Index: 726
Previous: 719

Paris

Air Liquide	502	504
Alsthom Atl.	251.90	250.50
Av Dassault	801	825
Bancaire	398	390
BIC	502	520
Bongrain	2220	2250
Bouygues	932	943
BSN-GD	4145	4190
Carrefour	2390	2414
C.G.E.	217	220.10
Chargeurs	715	715
Club Med	344	329
Darty	277.10	290
Dumez	609	633
Elf-Aquitaine	241	245
Europe 1	455.10	440
Gen Eaux	1055	1077
Hachette	1813	1840
Lafarge Cop	1126	1142
Legrand	2180	2220
Lesieur	1506	1525
l'Oreal	2570	2625
Martell	1818	1830
Matra	1415	1430
Merlin	1480	1520
Michelin	196.80	199.80
Moulinex	51.10	50.30
Occidentale	638	642
Paribas	310	308.50
Pernod Ric	706	701
Perrier	540	555
Peugeot	957	950
Printemps	435	432
Radiotechn	958	978
Redoute	2850	2900
Roussel Uclaf	835	849
Sanofi	520	538
Saint Gobain	445	442.10
Skis Rossignol	860	853
Telemecan	3070	3150
Thomson CSF	740	746
Total	360	361

CAC Index: 298.10
Previous: [illegible]

Sao Paulo

Dec. 1

Bradesco	18.50	18.50
Brahma	63.30	63.30
Paranapanema	16.20	16.30
Petrobras	96.30	96.30
Varig	7.30	7.30

Bovespa Index: 12665
Previous: 12665

Singapore

Cerebos	3.96	4.06
DBS	8.45	8.45
Fraser Neave	7.10	7
Haw Par	2.67	2.73
Hume	1.40	1.40
Inchcape	3.06	3.06
Lum Chang	0.83	0.82
Malayan Banking	4.08	4.10
OCBC	6.40	6.50
OUB	3.28	3.24
OUE	2.48	2.69
Shangri-la	3.80	3.78
Sime Darby	1.85	1.86
S'pore Airlines	8.80	8.75
S'pore Land	3.76	3.78
S'pore Press	6.65	6.65
S Steamship	1.13	1.15
St Trading	2.90	2.92
UOB	4.50	4.52
United Overseas	1.18	1.20

Straits Times Ind.: 782.45
Previous: 777.26

Stockholm

AGA	132	135
Alfa Laval	230	231
Asea	265	264
Astra	178	180
Atlas Copco	156	156
Beijer	N.A.	—
Boliden	420	420
Electrolux	196	201
Ericsson	157	158
Esselte	145	N.Q.
Handelsbanken	81.5	83
Pharmacia	120	125
Norsk Hydro	133.50	136
Saab-Scania	145	158
Sandvik	138	137
Skanska	250	257
SKF	215	218
SwedishMatch	80	79.5
Volvo	264	273

Affaersvaerlden Index: 643.10
Previous: 648.50

Sydney

ACI	3.50	3.45
ANZ	3.75	3.70
BHP	6.96	7
Boral	3.55	3.50
Bougainville	3.65	3.60
Coles Myer	5.90	5.86
Comalco	2.30	2.25
CRA	5.70	5.76
CSR	3.05	3.08
Dunlop	3.75	3.80
Elders Ixl	3.32	3.45
ICI Australia	4.30	4.30
Magellan	2.30	2.30
MIM	1.75	1.75
Nat Aust Bank	4.58	4.45
News Corp	10.30	10.30
N Broken Hill	2.62	2.60
Poseidon	3.95	4
Qld Coal Trust	1.08	1.15
Santos	3.95	3.95
Thomas Nation	3.40	3.35
Western Mining	5.82	5.80
Westpac Banking	4.50	4.50
Woodside	1.13	1.15

All Ordinaries Index: 1307.30
Previous: 1359.50

Tokyo

Akai	442	421
Asahi Chemical	1040	1050
Asahi Glass	1700	1780
Bank of Tokyo	1370	1400
Bridgestone	1280	1270
Canon	935	940
Casio	1150	1150
C.Itoh	642	650
Dai Nippon Print	2210	2180
Daiwa House	1710	1710
Daiwa Securities	2010	2010
Fanuc	4910	4860
Fuji Bank	3100	3090
Fuji Photo	3970	3940
Fujitsu	1190	1190
Hitachi	1170	1190
Hitachi Cable	1080	1060
Honda	1260	1260
Japan Air Lines	17180	16500
Kajima	1700	1670
Kansai Power	2950	3000
Kawasaki Steel	347	352
Kirin Brewery	2170	2140
Komatsu	640	643
Kubota	[illegible]	[illegible]
Kyocera	5140	5040
Matsu Elec Inds	2130	2130
Matsu Elec Works	1860	1860
Mitsubishi Bank	2950	2910
Mitsubishi Chem	997	985
Mitsubishi Elec	546	563
Mitsubishi Heavy	610	622
Mitsubishi Corp	1050	1050
Mitsui and Co	720	720
Mitsukoshi	1480	1470
Mitsumi	1030	1070
NEC	1930	1920
NGK Insulators	980	980
Nikko Securities	1640	1670
Nippon Kogaku	930	920
Nippon Oil	1170	1130
Nippon Steel	428	434
Nippon Yusen	556	557
Nissan	702	700
Nomura Securities	3280	3280
Olympus Optical	960	975
Pioneer	2450	2520
Ricoh	1160	1190
Sharp	938	938
Shimazu	970	950
Shinetsu Chemical	1640	1680
Sony	4840	4880
Sumitomo Bank	3330	3330
Sumitomo Chem	840	830
Sumitomo Marine	1080	1080
Sumitomo Metal	288	292
Taisei Corp	984	1000
Taisho Marine	1020	1020
Takeda Chem	3000	2970
TDK	4500	4480
Teijin	745	742
Tokio Marine	1890	1860
Tokyo Elec. Power	6150	6200
Toppan Printing	1640	1650
Toray Ind	730	742
Toshiba	661	665
Toyota	1830	1800
Yamaichi Sec	1660	1700

Nikkei 225: 22915.49
Previous: 22822.89
New Index: 1857.59
Previous: 1851.86

Zurich

Adia	5900	5950
Alusuisse	480	485
Bank Leu	2450	2450
Brown Boveri	1730	1740
Ciba Geigy	2660	2660
Credit Suisse	2490	2475
Electrowatt	3050	3075
Interdiscount	2650	2600
Jacob Suchard	7775	7950
Jelmoli	2125	2125
Landis Gyr	1340	1300
Moevenpick	4600	4800
Nestle	7700	7850
Oerlikon-B	1140	1240
Roche Baby	9275	9425
Sandoz	1705	1730
Schindler	3525	3600
Sulzer	310	325
Surveillance	3475	3300
Swissair	840	865
SBC	375	374
Swiss Reinsurance	1670	1660
Swiss Volksbank	1810	1820
Union Bank	3330	3340
Winterthur	4700	4650
Zurich Ins	1375	1375

SBC Index: 477.60
Previous: [illegible]

N.Q.: not quoted; N.A.: not available; xd: ex-dividend.

Toronto

Dec. 2

Canadian stocks via AP

Sales	Stock	High	Low	2 P.M.	Chg.
22083	Abiti Prce	$24	23⅞	24	
1	Acklands	$15⅝	15⅝	15⅝	— ⅛
12010	Agnico E	$28½	28⅛	28¼	— ⅛
300	Agra Ind A	$11	11	11	+ ¼
14735	Alt Energy	$15⅞	15⅜	15⅜	+ ⅛
600	Alta Nat	$72⅞	72⅞	72⅞	
124220	A Barick	$29⅝	29	29	+ ¼
4115	Atco I f	$9¼	9	9	
17806	BCED	227	222	226	+ 1
2240	BP Canada	$18	17½	18	+ ⅜
50590	B C Bancor	72	70	70	+ 1
235979	Bank N S	$12	11⅞	11⅞	+ ⅛
45407	BCE	$34¼	34	34	— ⅛
95	Bralorne	130	130	130	
2200	Brenda M	$15½	15⅜	15⅜	— ½
27485	BCFP	$18⅞	18⅞	18⅞	— ⅛
7095	BC Res	81	81	81	+ 1
15232	BC Phone	$25⅝	25½	25⅝	+ ⅜
1100	Brunswk	$11	11	11	— ¼
100	Budd Can	$21	21	21	+ ½
15690	CAE	$5⅞	5⅞	5⅞	
29000	CCL B I	$8	8	8	
56208	Cambior	$20⅝	20	20	— ⅜
27225	Campeau f	$15⅝	15½	15⅝	
225757	CDC	$9⅞	9⅞	9⅞	+ ⅛
3700	C Nor West	$17½	17½	17½	
1500	C Packrs	$14	14	14	+ ⅛
99118	Cl Bk Com	$19⅝	19⅛	19⅝	+ ½
393796	CP Ltd	$19¼	19	19¼	
31348	CTire A f	$12	12⅜	12	+ ⅛
200100	C Util B	$18	18	18	— ⅛
485	Cara	$9¾	9⅝	9⅝	
1500	Cntrl Cap	$11	10½	10½	— ½
3710	Cineplex	$13½	13⅛	13⅛	— ⅛
25	Comwest A	$10¼	10¼	10¼	+ ¼
3300	Coseka R	55	52	55	
11300	Crownx	$9⅞	9½	9½	— ⅜
600	Czar Res	148	136	140	+ 4
3100	Denison A p	490	475	475	—15
9550	Denison B f	450	450	450	— 5
22000	Derlan	$9⅞	9½	9½	
500	Develcon	235	235	235	
1500	Dickenson A f	$10½	10⅛	10½	— ⅛
100	Dickenson B	$12½	12½	12½	
9000	Dofasco	$24⅞	24⅜	24⅝	+ ⅛
4550	Dylex A	$8¼	8	8⅛	
11700	Emco	$12⅞	12⅝	12⅞	+ ⅛
51219	Encor	$8⅝	8½	8⅝	— ⅛
13300	Equty Svr A	$6⅝	6⅝	6⅝	+ ⅛
6450	FCA Intl	$12½	12½	12½	
161700	Fcnbridge	$21	20⅞	20⅞	— ¼
3400	Fed Ind A	$13⅝	13⅝	13⅝	— ¼
5100	Fed Plan	$10	9⅞	9⅞	
200	F City Fin	$15	15	15	+ ⅛
[illegible]	Gendis A	$14¼	14	14¼	+ ¼
300	GE Canada	$13½	13⅜	13½	— ⅛
1000	Geac Comp	136	136	136	— 2
13800	Goldcorp f	$8⅞	8⅝	8⅝	+ ⅛
1050	Grayhnd	$19⅝	19½	19½	+ ⅛
122	Hayes D	$9⅞	9⅝	9⅝	— ¼
16550	Hees Intl	$18⅛	17⅞	17⅞	— ⅛
16450	Hemlo Gld	$19⅞	19⅛	19⅛	
300	Hollinger I	$7⅞	7⅞	7⅞	
3300	H Bay Co	$19	18⅞	19	+ ½
75763	Imasco L	$25	24⅝	25	+ ⅜
1200	Indal	$10	10	10	
100	Inglis	$17½	17½	17½	+ 1
4170	I Corona o	$58⅛	57⅛	58	+ ⅜
150100	Intl Thom	$10½	10⅛	10⅛	— ⅛
1691	Inter Pipe	$42⅞	42	42⅛	+ ⅛
901	Ipsco	$10⅛	10⅛	10⅛	— ¼
29400	Ivaco A f	$10⅛	10	10⅛	+ ⅛
6400	Jannock	$15⅜	15⅛	15⅛	— ⅛
150	Kelsey H	$13	13	13	
5430	Kerr Add	$18⅞	18⅝	18⅝	— ⅜
223472	Labatt	$24⅝	24	24	— ⅛
93650	Lacana	$14⅝	14½	14⅝	+ ⅛
13550	Loblaw Co	$10⅞	10⅞	10⅞	
2300	Lumonics	$5⅝	5⅝	5⅝	
16216	Magna A f	$10	9⅞	9⅞	
100	MDS H A	$21⅛	21⅛	21⅛	
193357	MICC	$9⅝	9½	9½	— 1
15080	Mclan H X	$19⅛	18⅞	18⅞	— ⅛
3528	Maritime f	$14⅞	14⅞	14⅞	+ ⅛
33766	Mark Res	$9	9	9	
165	Minnova	$20⅛	20⅛	20⅛	+ ⅛
2385	Molson A f	$21¼	21⅛	21⅛	— ⅛
400	Nabisco L	$33⅛	33	33	— 1
118523	Noranda I	$22⅛	22	22⅛	+ ⅛
132894	Norcen	$17⅞	17⅝	17⅞	+ ⅛
248708	Nova Cor f	$9⅞	8⅞	9⅞	+ ½
22200	Nowsco W	$11¾	11½	11½	+ ¼
16549	NuWst sp A	23	23	23	— ½
31290	Oakwood	35	450	5	+40
5600	Oshawa A f	$20	20	20	
2526	Pac W Airln	$17⅞	17½	17½	— ⅛
2600	Pamour	$10⅜	10⅛	10⅛	+ ⅛
5700	PanCan P	$25⅞	25⅝	25⅝	
2450	Pembina	$21⅛	21⅛	21⅛	+ ⅛
5	Pine Point	$12	13	13	— ⅛
402479	Placer Dm	$21	20⅛	20⅛	+ ⅛
11200	Que Sturg o	350	340	340	— 5
4921	Redpath	$9	8⅞	9	+ ⅛
100	ReedSt 1 Sp	$23⅛	23⅛	23⅛	— ⅛
2800	Rogers B f	$19⅛	18½	19⅛	+ ⅛
800	Roman	$10	10	10	+ ½
2800	Rothman	$41½	41½	41½	— ½
57400	Ry Trco A	$13⅝	13	13⅝	
136018	Rovex	$7½	7	7½	— ¼
21700	Sceptre R	350	335	350	+ 5
22530	Scotts f	$10	9⅞	9⅞	
36876	Sears Can	$8½	8⅛	8⅛	— ⅛
2800	SHL Systm	$17½	17	17	— ⅛
22900	Selkirk A f	$21	20⅞	21	
16350	Shell Can	$32⅞	32½	32½	— ⅜
10300	Sherritt	490	490	490	—22
26300	Slater B f	485	475	475	—10
89900	Southam	$17	16⅞	17	+ ½
7750	Spar Aero f	$13¼	13⅛	13⅛	+ ⅛
12181	Stelco A	$18⅞	18⅛	18⅞	+ ⅜
9000	TCC Bev	$5	495	5	+ 5
13800	Teck B f	$38½	37½	38½	+ ¾
12537	Tex Can	$27⅞	27⅛	27⅛	— ⅛
17000	Thom N A	$25⅞	25½	25⅞	
112111	Tor Dm Bk	$26⅞	25⅞	26⅞	+ ⅜
5250	Torstar B f	$23⅛	23	23	— ⅛
100	Trns Mt	$12⅛	12⅛	12⅛	+ ⅛
25848	TrnAlta UA	$27⅞	27½	27⅞	+ ⅛
28624	TrCan PL	$14¾	14⅜	14⅜	+ ⅛
62720	Trimac	400	390	390	—10
12400	Trilon A	$15½	15⅛	15⅛	— ⅛
17900	Trizec A f	$24⅝	24½	24½	— ⅜
21800	Turbo	67	65	66	
7200	Unicorp A f	$5½	5½	5½	
200	Un Carbid	$14	14	14	
803	U Entprise	$9	8⅞	8⅞	
1100	U Keno	$10¼	10⅛	10¼	+ ⅛
3700	Westmin	$8⅞	8⅝	8⅝	+ ⅛
416	Weston	$31⅞	31⅞	31⅞	
5105	Woodwd A	$5½	5½	5½	
	Total sales	17,737,441 shares			

	Noon	Prev. Close
TSE 300 Index:	3,007.20	2,997.80

To Our Readers

Montreal stock prices were not available Tuesday due to communications problems. We regret any inconvenience to readers.

SPORTS

Becker Has New Slant for Masters

By Peter Alfano
New York Times Service

NEW YORK — It was good to be in Leimen, West Germany, Boris Becker said, where he could sample his mother's cooking and spend time with friends he rarely sees.

In the past three years Becker was swept off his feet in a whirlwind of events that were often beyond his control. Returning home on occasion gives him a chance to catch his breath and reflect on a relatively brief but tumultuous tennis career.

On Nov. 22, Becker turned 20. Many people his age have never been away from home. Becker, though, is already an experienced world traveler, better known in his country than the chancellor, a subject of intense scrutiny and great expectations.

He doesn't pine for the days when he was just one of the boys at the local tennis club. But he does appreciate how uncomplicated those times were. Falling into an old routine two weeks ago — even temporarily — was refreshing. "When I'm together with the guys, it gives me a chance to think about what has happened to me the last few years. I think, 'What did I do to get there?' "

What he did was extraordinary. He won Wimbledon in 1985, at 17, becoming the youngest men's singles champion. He won again the next year, solidifying his position as a superstar and arguably, the most popular player in the world.

It was too much success, too soon, but no one apologizes for winning Wimbledon. "If I could choose, though," Becker says now, "I would win Wimbledon for the first time at 20. I think I would have enjoyed it more and dealt with it better."

The past three years have been rewarding and exciting, but on occasion also humbling and disappointing. Becker is ranked fourth in the world — quite an achievement for a 20-year-old — but at the Masters tournament, which began Wednesday night at Madison Square Garden, he was facing questions about his comeback plans for next year.

He has won only three tournaments in 1987. He was a semifinalist in the Australian and French Opens, but lost in the second round at Wimbledon and the fourth round in the U.S. Open. Wimbledon was especially crushing. "I'm not the Wimbledon champion anymore and you can't be happy about that when you're a tennis player," Becker said. "But it's not so much that I miss the wins as it is I hate to be a second-round loser."

He played without the guidance of a coach for most of the year, having dismissed Günter Bosch last January. He was involved in a political controversy when officials of the United Nations Children's Fund dismissed him as its goodwill ambassador because he would not sign a statement saying that he would not play in South Africa.

Becker has also been nagged by aches and pains, which contributed to a loss of enthusiasm. His luck didn't change last week, when he was beaten in the third round of the Young Masters tournament near his hometown. He complained of a cold and an injured knee.

In the face of adversity, Becker has tried to be philosophical. He does not want to be burdened with the responsibility of living his life to please others. Of his ups and downs this year, he said: "It is not a crime. There is a period of life when you have to see the other side. You know what it feels like to be on top of the world. Being No. 4 is not so terrible."

The numbers say Becker has taken a backward step. Entering the Masters last year he was No. 2, and feeling heady about the coming year. "Everybody expected me to be No. 1," he said, including himself.

Improving as a player, however, represents only one aspect of maturity, Becker said. That is why the year has not been wasted.

"I've learned so much this year about life," he said. "I realize that nothing good comes easy. And I realize that, maybe, I don't want to make it to the top too quickly. I might not stay there very long."

Becker cited the problems that Björn Borg and John McEnroe had after becoming No. 1. He said he thought that Ivan Lendl's slow but persistent climb insured a longer stay at the top. Only three years ago, Becker would not address the subject of burnout, saying his career was only starting.

"Now, I am kind of an oldie," he said with a laugh in his voice. "I had to learn all this on my own."

With a nation watching his every move, however, Becker does not have the luxury of working out problems in privacy. He remains a national hero, even if the West German news media there have tried to knock him off his pedestal.

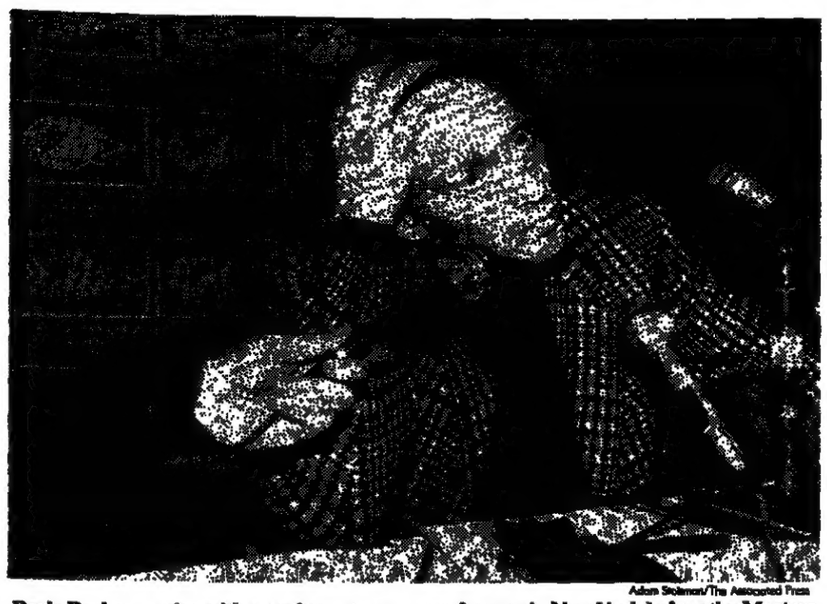
"I couldn't understand that at all in the beginning," Becker said. "I can deal with it now. The people see me as a different kind of human being. For them, I bring two hours of good feeling when I play. That means a lot to the average guy who works 9 to 5. And it's a big honor for me."

The UNICEF experience taught him to be more careful about the choices he makes. Becker has spoken out against apartheid in South Africa. He has said he does not plan to play there again. Yet he is still on a United Nations blacklist for having been to that country with a junior team at the age of 16.

"I am more than a tennis player," he said. "I am an ambassador of sports, like Maradona and Mike Tyson. We stand for something. I think that politics is one thing and sports another, but people like sportsmen, not politicians. They think we can do more."

How he will do this week is anyone's guess. In the round-robin phase, Becker will face Jimmy Connors on Thursday, Brad Gilbert on Friday and Lendl on Saturday.

"I think I can play like I should," he said. "I'm eager and in a different groove. I want to show people that the guy in Leimen can still hit a few tennis balls pretty good."


Adam Stoltman/The Associated Press

Boris Becker, coping with questions at a press conference in New York before the Masters.

Tyson to Defend Against Holmes Jan. 22

United Press International

NEW YORK — Larry Holmes, a 38-year-old grandfather, says it's time to teach 21-year-old heavyweight champion Mike Tyson some respect.

Holmes, who held the heavyweight title for more than seven years, will end a 21-month layoff when he challenges Tyson Jan. 22 in Atlantic City, New Jersey. When the two met at a news conference Tuesday to announce the fight, Holmes was upset at what he considered a snub by Tyson.

"I always shake hands with my opponents," said Holmes, who is 48-2 lifetime. "When I reached out to shake Mike Tyson's hand, he pulled away. I'm a people person, I'm a people's champion. I know how to treat people and when Mike Tyson learns that he'll be a great human being."

Tyson, 32-0 with 28 knockouts and the youngest-ever heavyweight champion, said he refused to shake hands "because I wanted to." He added: "I don't like Larry Holmes."

But he did praise Holmes as a fighter. He said it is unfair to liken Holmes to other heavyweight champions — such as Jack Johnson, Joe Louis and Muhammad Ali — who failed miserably in comebacks.

"I take the fight seriously," Tyson said. "You can't compare Holmes to those other fighters because they no longer had anything to offer their opponents. They were shot. Larry Holmes can still fight. He went 15 rounds in his last fight and he won. They just didn't give it to him."

That was a 15-round split decision loss to Michael Spinks on April 19, 1986. Spinks had taken Holmes's International Boxing Federation title with a close decision in their first bout the previous September.

Holmes is expected to earn $3 million and Tyson at least $5 million for the scheduled 12-rounder.

Tyson said the Holmes fight should be tougher than his last bout, a seventh-round knockout of Tyrell Biggs Oct. 16. "You can't compare a guy who was a world champion for over seven years to a guy who only won an Olympic medal," he said.

Tyson became the unified heavyweight champ when he won a 12-round decision over Tony Tucker Aug. 1 to take the IBF belt. He won the World Boxing Council title from Trevor Berbick last year and the World Boxing Association crown from James Smith in March.

Swiss Women's Cup Ski Team Not Panicky — Yet

United Press International

VAL D'ISERE, France — It's not time to hit the panic button yet, but Switzerland's women ski racers are off to a distressingly slow start this World Cup season.

After three events, the team that dominated the world championships last winter with an eight-medal haul and produced world champions in all four race specialities has yet to hit its stride.

Coaches and competitors are counting heavily on top finishes in downhills Friday and Saturday to put things right.

Sixth-placed Vreni Schneider is currently the top-ranked Swiss woman in the overall standings with 21 points, well behind the 40 of Yugoslav Mateja Svet, the leader.

"After what we did last season, it will be hard to match our finishes," said Brigitte Oertli, third overall in 1986-87 behind overall titlist Maria Walliser and Schneider.

Walliser and cup downhill titlist Michela Figini are top hopes for the season-opening downhills on the 2.1-kilometer (1.3-mile) OK course at Val d'Isere this weekend.

Figini clocked the second-fastest time, 1 minute, 20.04 seconds, in Tuesday's first day of downhill trials; she also topped Wednesday's practice with a 1:21.14 showing.

Walliser, the world champion downhiller, on Tuesday was timed in 1:22.52 — the day's 22d-fastest clocking. "It's always a bit nerve-wracking before my first race of the season," she said.

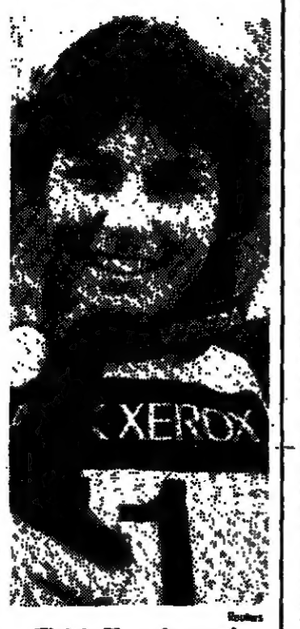
Swiss coaches put their charges through a rigorous training on glacier terrain at an altitude of 3,500 meters (11,480 feet). "We're in shape," said Jean-Pierre Fournier, the head women's coach. "We know the girls are fine."

The skiing-mad Swiss sports press, however, has begun drawing its own contrasting conclusions.

"The End of the Swiss Domination," was the headline in the newspaper Blick after Saturday's giant slalom in Sestriere, Italy, where Schneider's 10th place led the Swiss women. Lausanne's Le Matin took a moderate stance with a race story under the headline "No Panic."

But on Monday in Courmayeur, Italy, Anita Wachter led a 1-2-3 sweep by the Austrian women; the best Swiss finish was Brigitte Gadient's 11th place.

Training staff members said a victory would eliminate the tension in the Swiss camp. "A place on the podium in France would do a lot for our confidence," said one coach.


Reuters

Figini: Sharp in practice

NBC's Falling for the Knight Gambit

By Michael Goodwin
New York Times Service

NEW YORK — That sports broadcasters are generally two parts show business to one part journalism is an inevitable conclusion for anyone who watches and listens carefully. But now and then an incident comes along that clearly depicts just how out of balance the television business is.

Consider the case of NBC-TV and Bobby Knight.

The network holds the rights to the 1988 Summer Olympics and has been searching for an additional basketball commentator. Among those it has contacted is Knight, the coach of Indiana, the defending national collegiate champion.

The championship was the third Knight has won at Indiana and it added to the many accomplishments of his 22-year career, during which he has amassed a .735 winning percentage. A winner for sure.

But Knight is almost as well known for his loser's behavior. There was his conviction, in absentia, for assault on a policeman in Puerto Rico eight years ago. In 1981, he got into a shoving match with a fan from Louisiana State. In 1985, he threw a chair across the court as his team was losing. And less than two weeks ago, he forfeited a game against the Soviet national team by pulling Indiana — behind by 23 points — off the court early in the second half after he had received his third technical foul.

Michael Weisman, the executive producer of NBC Sports, called the latest incident unfortunate and said it was "clearly a mark against Bobby Knight" in NBC's Olympic hiring sweepstakes. Yet Weisman said the network has made no decision about whether to offer Knight the job.

Knight's behavior, of course, is not incidental to NBC's initial interest in him. Apart from being a successful coach, he is controversial; controversy builds audiences, and audiences mean money. Would more viewers tune in if Knight were broadcasting?

NBC is not alone in succumbing to such temptations, for there are several broadcasters who have been guilty of questionable behavior, such as Ken Stabler and Jim Brown. Without excusing their behavior, it is fair to draw a distinction between what they did in their private lives and their public performances. Stabler and Brown performed as professionals, but did not always live at the same level.

Knight, on the other hand, has contaminated his professional achievements with boorish public behavior. And he shows no signs of improving with age.


AP

Bobby Knight

That Indiana continues to tolerate his tantrums, as long as he wins, is no excuse for NBC to do the same. Winning is not everything, and even show business should have some limits.

SCOREBOARD

Football

National Football League Leaders

NATIONAL CONFERENCE

TEAM OFFENSE

	tot.	rush	pass
San Francisco	4329	1492	2837
Washington	4029	1573	2456
St. Louis	3908	1327	2581
Philadelphia	3756	1424	2332
Chicago	3654	1404	2250
Dallas	3624	1330	2294
New Orleans	3595	1677	1918
Minnesota	3443	1372	2071
Green Bay	3358	1295	2063
Los Angeles	3278	1554	1724
New York	3217	1050	2167
Detroit	3078	886	2192
Tampa Bay	3067	962	2105
Atlanta	2939	979	1960

TEAM DEFENSE

	tot.	rush	pass
New Orleans	2980	1095	1885
Chicago	3035	923	2112
San Francisco	3156	1142	2014
Minnesota	3369	1238	2131
Washington	3431	1194	2237
Tampa Bay	3507	1371	2136
Green Bay	3577	1395	2182
Dallas	3647	1238	2409
Los Angeles	3732	1273	2459
New York	3664	1373	2291
St. Louis	3921	1433	2488
Philadelphia	3929	1311	2618
Detroit	3969	1610	2359
Atlanta	4275	1977	2298

INDIVIDUAL

Rushing

	att	yds	avg	lg	td
White, LA	219	952	4.3	58	6
Mayes, NO	174	736	4.2	38	2
Riggs, Atl	139	637	4.6	44	2
Craig, SF	155	591	3.8	25	2
H.Walker, Dal	132	567	4.3	60	3

Quarterbacks

	att	cmp	pct	yds	td	int
Montana, SF	346	230	66.5	2592	27	12
Lomax, StL	311	187	60.1	2409	17	10
McMahon, Chi	188	114	60.6	1453	10	7
DeBerg, TB	275	159	57.8	1891	14	7
Cunningham Phi	273	146	53.5	1913	16	11

Receivers

	no	yds	avg	td
J.Smith, StL	64	856	13.4	5
Craig, SF	55	409	7.4	1
Rice, SF	46	765	16.6	14
Mandley, Det	42	524	12.5	4
H.Walker, Dal	39	495	12.7	1

Scoring (Touchdowns)

	td	rush	rec	ret	pts
Rice, SF	14	0	14	0	84
Quick, Phi	8	0	8	0	48
Ferrell, StL	7	7	0	0	42
Anderson, Chi	6	3	3	0	36
Dozier, Min	6	5	1	0	36

Scoring (Kicking)

	ep-a	fg-a	lg	pts
Andersen, NO	21-21	18-24	51	75
Butler, Chi	22-24	14-20	52	64
Lansford, LA	25-27	13-15	47	64
Ruzek, Dal	18-18	14-16	49	60
McFadden, Phi	26-26	11-19	46	59

Interceptions

	no	yds	lg	td
Wilburn, Wash	6	35	22	0
Kinard, NY	5	163	70	1
Griffin, Det	5	123	29	0

Punting

	no	lg	avg	blk	x-net
Donnelly, Atl	39	62	45.8	2	31.0
Arnold, Det	32	60	44.6	0	39.8
Landeta, NY	42	64	43.8	1	31.6

Punt Returns

	no	yds	avg	lg	td
Lewis, Min	14	218	15.6	78	1
McKinnon, Chi	28	366	13.1	94	2
Sikahema, StL	32	366	11.4	33	0

Kickoff Returns

	no	yds	avg	lg	td
Stamps, Atl	15	415	27.7	74	0
Gentry, Chi	18	486	27.0	88	1
Guggemos, Min	25	591	23.6	42	0

Sacks

White, Phi	14.0
Doleman, Minn	10.0
E.Jones, Dal	9.0

AMERICAN CONFERENCE

TEAM OFFENSE

	tot.	rush	pass
Denver	4289	1514	2775
Los Angeles	3881	1793	2088
Miami	3874	1284	2590
Cincinnati	3861	1738	2123
Cleveland	3827	1293	2534
Houston	3801	1417	2384
Indianapolis	3756	1624	2132
Buffalo	3630	1397	2233
Seattle	3499	1462	2037
New York	3478	1374	2104
San Diego	3397	1049	2348
Pittsburgh	3279	1560	1719
New England	3174	1173	2031
Kansas City	2931	1252	1679

TEAM DEFENSE

	tot.	rush	pass
Los Angeles	3013	1193	1820
Cleveland	3030	1088	1942
Cincinnati	3203	1080	2123
Indianapolis	3413	1330	2083
New York	3481	1268	2213
Seattle	3522	1560	1962
Denver	3549	1469	2080
Houston	3563	1386	2177
Pittsburgh	3672	1214	2458
Buffalo	3703	1515	2188
New England	3753	1417	2336
San Diego	3820	1652	2168
Kansas City	4003	1789	2214
Miami	4031	1661	2370

INDIVIDUAL

Rushing

	att	yds	avg	lg	td
Dickrsn, Ram-Ind	189	860	4.6	57	4
Rozier, Hou	152	664	4.4	47	2
Warner, Sea	158	680	4.3	57	5
Bentley, Ind	125	581	4.6	17	5
Jackson, Pit	152	580	3.8	39	1

Quarterbacks

	att	cmp	pct	yds	td	int
Kosar, Cle	260	166	63.8	2079	14	7
Kelly, Buf	279	177	63.4	2037	15	8
Elway, Den	280	161	57.5	2263	15	8
Marino, Mia	278	166	59.7	1940	18	9
O'Brien, NY	242	150	62.0	1744	9	6

Receivers

	no	yds	avg	td
Largent, Sea	44	712	16.2	6
Toon, NY	42	563	13.4	2
Byner, Clev	41	439	10.7	1
Morgan, NE	40	672	16.8	3
V.Johnson, Den	39	649	16.6	7

Scoring (Touchdowns)

	td	rush	rec	ret	pts
Riddick, Buff	8	5	3	0	50
Hector, NY	8	8	0	0	48
Bentley, Ind	7	5	2	0	42
Byner, Cle	7	5	1	1	42
V.Johnson, Den	7	0	7	0	42

Scoring (Kicking)

	ep-a	fg-a	lg	pts
Jaeger, Cle	32-32	14-21	48	74
Biasucci, Ind	19-19	17-20	50	70
Zendejas, Hou	22-22	16-21	52	70
Breech, Cin	14-16	18-22	46	68
Karlis, Den	25-25	14-18	51	67

Interceptions

	no	yds	lg	td
Bostic, Hou	6	-14	7	0
Bryant, Hou	4	75	29	0
Prior, Ind	4	53	38	0

Punting

	no	lg	avg	blk	x-net
Fulhage, Cin	35	58	43.4	0	35.7
Moiseienko, SD	41	57	43.1	0	34.0
Newsome, Pit	46	57	41.7	0	31.2

Punt Returns

	no	yds	avg	lg	td
James, SD	18	266	14.8	81	1
McNeil, Cle	21	288	13.7	40	0
Townsell, NY	21	265	12.6	91	1

Kickoff Returns

	no	yds	avg	lg	td
Palmer, KC	30	697	23.2	95	1
Mueller, LA	22	473	21.5	46	0
Edmonds, Seat	17	353	20.8	43	0

Sacks

Tippett, NE	11.0
Smith, Buff	8.0
F.Young, Sea	7.5
Hairston, Cle	6.5
Townsend, LA	6.5

X-net (team punting efficiency) — Total punt yards minus return yards, minus 20 yards for each punt over goal-line divided by total attempts, including punts blocked.

Basketball

National Basketball League Standings

EASTERN CONFERENCE

Atlantic Division

	W	L	Pct.	GB
Boston	10	5	.667	—
Philadelphia	5	6	.455	3
Washington	4	8	.333	4½
New York	4	9	.308	5
New Jersey	2	10	.167	6½

Central Division

	W	L	Pct.	GB
Chicago	11	3	.786	—
Milwaukee	9	4	.692	1½
Atlanta	8	5	.615	2½
Detroit	8	5	.615	2½
Indiana	8	6	.571	3
Cleveland	3	8	.273	6½

WESTERN CONFERENCE

Midwest Division

	W	L	Pct.	GB
Denver	8	5	.615	—
Dallas	7	5	.583	½
Houston	8	6	.571	½
Utah	7	6	.538	1
San Antonio	5	8	.385	3
Sacramento	4	8	.333	3½

Pacific Division

	W	L	Pct.	GB
L.A. Lakers	10	2	.833	—
Portland	8	5	.615	2½
Seattle	7	6	.538	3½
Phoenix	4	7	.364	5½
L.A. Clippers	4	8	.333	6
Golden State	2	11	.154	8½

TUESDAY'S RESULTS

Detroit	38	20	26	26	14—124
New Jersey	22	36	32	20	5—115

Dantley 14-22 3-3 31, Laimbeer 9-15 1-1 19, Thomas 8-22 3-3 19, Johnson 9-20 1-1 19; Williams 9-14 2-4 20, Gminski 7-16 4-4 18. Rebounds: Detroit 51 (Laimbeer 13); New Jersey 64 (Williams 14). Assists: Detroit 31 (Thomas, Dantley 8); New Jersey 25 (Bagley 6).

Boston	24	27	26	29—106
Atlanta	37	26	34	23—120

Wilkins 10-21 2-3 22, Rollins 8-12 4-5 20; McHale 7-13 8-9 22, Bird 7-13 4-4 18. Rebounds: Boston 49 (Bird, Lohaus 8); Atlanta 49 (Rollins, Carr 10). Assists: Boston 28 (Johnson 8); Atlanta 35 (Webb 9).

Seattle	33	28	31	20—112
New York	34	18	26	31—109

Ellis 14-32 8-10 37, Chambers 11-17 8-12 32; Wilkins 10-17 6-9 26, Ewing 10-14 1-3 21, Carlisle 9-12 2-2 21. Rebounds: Seattle 57 (Polynice 9); New York 56 (Walker 8). Assists: Seattle 19 (Chambers, McMillan 5); New York 28 (Jackson 13).

Denver	31	34	29	17—111
Houston	20	32	29	25—106

Olajuwon 10-18 2-7 22, Sampson 7-14 6-10 20; English 11-27 4-4 26, Rasmussen 12-18 1-2 25. Rebounds: Denver 65 (Cooper, Lever 10); Houston 52 (Sampson 17). Assists: Denver 24 (Lever 10); Houston 30 (Leavell 10).

Chicago	33	26	18	21—98
Golden State	22	19	26	30—97

Paxson 8-13 1-2 19, Grant 7-8 3-7 17; Carroll 9-19 2-3 20, Higgins 5-11 8-9 18. Rebounds: Chicago 58 (Oakley 13); Golden State 58 (Higgins, Carroll 9). Assists: Chicago 26 (Jordan 9); Golden State 26 (Floyd 13).

Los Angeles	27	38	25	27	16—133
Sacramento	24	29	28	28	11—120

Abdul-Jabbar 11-21 5-5 27, Johnson 10-23 5-6 26; Thorpe 10-16 11-13 31, Theus 12-24 3-4 27. Rebounds: Los Angeles 58 (Green 15); Sacramento 47 (Thorpe 13). Assists: Los Angeles 25 (Johnson 10); Sacramento 38 (Edwards 16).

Phoenix	24	33	22	21—100
Portland	34	14	27	25—102

Drexler 14-25 7-9 36, Porter 8-13 6-6 24; Edwards 9-17 1-2 19, Nance 8-17 3-3 19, Sanders 4-9 5-7 13, Thompson 4-7 5-5 13. Rebounds: Phoenix 47 (Edwards 8); Portland 54 (Kersey 13). Assists: Phoenix 21 (Humphries 9); Portland 33 (Porter 12).

U.S. College Results

EAST

Babson 72, Worcester Tech 67
Boston Col. 121, Harvard 80
Boston U. 69, Massachusetts 66
Brandeis 85, MIT 69
Delaware 83, Washington (Md.) 70
Long Island U. 94, Dominican (N.Y.) 63
Manhattan 84, Columbia 80
Oklahoma 93, Penn St. 59
Rhode Island 96, New Hampshire 67
Rochester 89, RPI 79
Seton Hall 104, Bridgeport 83
Wesleyan 88, W. New England 66

SOUTH

Georgia Tech 79, Jackson St. 71
Kentucky 101, Cincinnati 77
Louisiana Tech 68, W. New Mexico 46
Mississippi 81, Kentucky St. 60
Old Dominion 74, Randolph-Macon 62
Washington & Lee 87, Hampden-Sydney 85

MIDWEST

Creighton 61, Nebraska-Omaha 60
DePaul 88, Niagara 87, OT
Indiana 76, Notre Dame 59
Iowa 70, Drake 59
Kansas 94, Pomona-Pitzer 38
Marquette 70, Hartford 61
Northwestern, Wis. 68, Lawrence 65
Ohio St. 94, W. Michigan 79
Wisconsin 87, N. Illinois 77

SOUTHWEST

Abilene Christian 118, Texas Col. 89
Baylor 72, N. Texas St. 63
Pan American 58, Texas-Arlington 54

FAR WEST

Air Force 73, Mesa, Colo. 63
Arizona St. 79, N. Arizona 75
Brigham Young 96, Utah St. 92
Colorado St. 85, Denver 61
Gonzaga 77, W. Montana 66
Nevada-Reno 84, Cal-Davis 67
Oregon 82, Cent. Michigan 67
Pacific U. 76, Hawaii 68
Pepperdine 91, Cal-Irvine 89
Santa Clara 72, Stanford 71

Hockey

NHL Standings

WALES CONFERENCE

Patrick Division

	W	L	T	Pts	GF	GA
NY Islanders	15	7	1	31	98	74
New Jersey	13	8	3	29	84	81
Washington	11	11	2	24	78	72
Pittsburgh	9	10	5	23	87	91
NY Rangers	8	13	3	19	92	97
Philadelphia	8	13	3	19	74	95

Adams Division

	W	L	T	Pts	GF	GA
Montreal	16	7	5	37	108	83
Boston	14	10	2	30	97	91
Buffalo	9	11	4	22	86	104
Quebec	10	12	1	21	87	96
Hartford	8	10	4	20	71	73

CAMPBELL CONFERENCE

Norris Division

	W	L	T	Pts	GF	GA
Detroit	11	9	2	24	75	72
Chicago	10	12	2	22	94	101
Minnesota	10	12	3	23	88	97
Toronto	10	12	2	22	99	96
St. Louis	8	12	2	18	76	84

Smythe Division

	W	L	T	Pts	GF	GA
Calgary	14	8	3	31	122	94
Edmonton	14	9	2	30	115	90
Winnipeg	11	12	1	23	90	99
Vancouver	9	12	2	20	93	91
Los Angeles	7	14	4	18	96	122

TUESDAY'S RESULTS

Edmonton	1	0	1—2
Washington	0	4	0—4

Gustafsson 2 (6), Ridley (10), Gartner (16); Kurri (13), Simpson (15). Shots on goal: Edmonton (on Malarchuk) 8-9-6—23; Washington (on Fuhr) 7-13-6—26.

Vancouver	3	0	0—3
Quebec	0	1	0—1

Benning (3), Boyd (2), Smyl (7); P. Stastny (19). Shots on goal: Vancouver (on Gosselin, Brunetta) 8-7-10—25; Quebec (on McLean) 6-14-13—33.

Toronto	2	0	0	0—2
Minnesota	0	1	1	1—3

Graham (4), Bellows 2 (18); Secord (5), Iafrate (13). Shots on goal: Toronto (on Beaupre) 10-12-9-2—33; Minnesota (on Wregget) 10-13-12-3—38.

Winnipeg	4	1	1	1—7
Los Angeles	2	2	2	0—6

Steen (6), Duncan (6), Hawerchuk (13), Marois (1), McBain (9), Boschman (7), Small (6); Fox (5), Fenton (7), Robitaille 2 (14), Duchesne (6), Nicholls (9). Shots on goal: Winnipeg (on Melanson, Healy) 9-8-8-4—29; Los Angeles (on Reddick) 12-8-9-0—29.

Transition

BASEBALL

American League

CALIFORNIA—Signed Chili Davis, outfielder, to a one-year contract.

CHICAGO—Assigned Ron Hassey and Bill Lindsey, catchers, outright to Vancouver of the Pacific Coast League.

CLEVELAND—Placed Andre Thornton, first baseman-designated hitter, on the voluntary retired list.

DETROIT—Signed Mike Heath, catcher, to a one-year contract.

National League

CINCINNATI—Sent Lloyd McClendon, catcher-infielder, to Nashville of the American Association.

NEW YORK—Named Clint Hurdle manager and Bob Apodaca pitching coach of St. Lucie of the Florida State League.

ST. LOUIS—Announced the purchase of the Savannah Cardinals of the South Atlantic League.

SAN FRANCISCO—Signed Brett Butler, outfielder, to a two-year contract, and Joel Youngblood, outfielder, to a one-year contract.

BASKETBALL

National Basketball Association

HOUSTON—Activated Jim Petersen, forward, from the injured list. Placed Andre Turner, guard, on the injured list.

NEW YORK—Signed Rick Carlisle, guard, to a one-year contract.

PHOENIX—Activated Larry Nance, forward, from the injured list. Placed Eddie Johnson, forward, on the injured list.

SAN ANTONIO—Waived Nate Blackwell, guard. Activated Mike Mitchell, forward, from injured reserve.

FOOTBALL

National Football League

NEW ENGLAND—Placed Guy Morriss, center, on injured reserve. Waived Steve Dais, linebacker, and Ron Shegog, defensive back, from injured reserve.

HOCKEY

National Hockey League

MINNESOTA—Sent Dave Gagner, center, and Mitch Messier, right wing, to Kalamazoo of the International Hockey League.

N.Y. RANGERS—Recalled Dave Pichette, defenseman, from New Haven of the American Hockey League. Recalled Steve Nemeth, center, from Colorado of the International Hockey League.

ART BUCHWALD

Wooing the Wimp Vote

WASHINGTON — "George Bush is making a mistake," Whiner told me.

"In what way?" I asked.

"By declaring he is not a wimp he's alienating the wimp vote in the country."

"So what?"

"He needs a lot of wimps to win the election."

Buchwald

"I didn't know there were many," I said.

"There are a lot more of us than there are of them," Whiner said. "And don't forget wimps vote as a bloc."

"You'd think Bush's people would have researched it."

"By denying he is a wimp, Bush is sending out a message that there is something wrong with being one. That's what the wimps are crying about. The question we would like to put to the vice president is what's wrong with being one if it's how you feel?"

"I guess nothing if you don't flaunt it."

"There are some of us who think Bush is a secret wimp and is afraid to come out of the closet."

"I don't believe that," I protested. "I think he honestly hates wimps — perhaps it has something to do with his living in Texas."

"There are a lot of wimps in Texas. We're all over the map, and when we get upset we can be a mighty force in deciding who our next president is going to be. If Bush thinks the macho voters are going to put him over the top without wimp support he's crazy."

□

"What makes a person a wimp?" I asked.

"It's definitely genetic. It's passed down through the male side of the family. You can always spot a wimp because he whines and cries a lot and continually loses at arm wrestling."

"Women don't like wimps, do they?"

"They say they don't, but most of them marry one. Shere Hite, who just completed a sexual survey, says 93 percent of all American women have slept with a wimp. Women prefer them because wimps are afraid to yell at their mates."

"So by attacking wimps Bush could lose the spouse vote as well?"

"It seems that way. No woman wants a president who doesn't remind her of her husband."

"Are you predicting the wimp factor will decide the 1988 election?"

"I believe so. The wimps are sick and tired of being denigrated by politicians and football fans, and we intend to introduce Wimp Power into the White House. By insisting he is not a wimp Bush is endorsing the prejudice that we have had to live with for years. We may be snivelers, but we have rights too."

□

"Suppose all the candidates ignore you. What will your people do?"

"Sit the election out. Wimps don't have to vote unless they want to."

"It appears that Bush has a lot of apologizing to do before he gets your support. What can he do to make it up to you?"

"I'd like him to go on television and say he respects wimps and admires their way of life. He must come out for equal job opportunities and fair treatment for all wimps. And finally, Bush has to promise to appoint a wimp to the Supreme Court as soon as possible."

House Votes to Make Sousa March Official

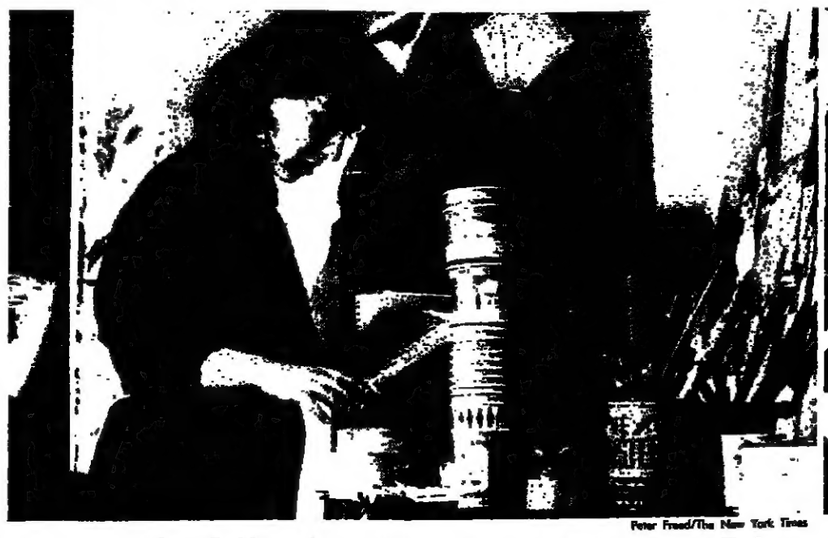
The Associated Press

WASHINGTON — The House of Representatives has unanimously approved legislation to designate John Philip Sousa's "The Stars and Stripes Forever" the national march of the United States.

A similar bill passed the Senate on Nov. 6, so the House action sends the measure to President Ronald Reagan for signature. The White House has said the president is not opposed to the legislation.

Sousa was born in Washington in 1854. He joined the U.S. Marine Corps in 1868 as a band apprentice, and led the Marine Band from 1880 to 1892, when he formed his own band, with which he toured in the United States and abroad. He wrote "The Stars and Stripes Forever" in 1896.

Out but Not Down in Bohemian New York



Peter Freed/The New York Times

Keith Meyers/The New York Times

Abbaye Smith, a painter, discovered need for discipline; Kenneth Fuchs, a composer, endured housing "horror story."

By Lydia Chavez
New York Times Service

NEW YORK — James Fitzsimmons eats candy bars for lunch because they are cheaper than a sandwich, thinks twice about parting with $1 for a subway ride and has rid his vocabulary of the word "taxi."

Fitzsimmons, a 22-year-old production intern at Playwrights Horizons, an off-Broadway enterprise, is one of thousands of aspiring young artists who live in New York City's marginal neighborhoods and work at low-paying jobs to seek success.

Many come, starry-eyed and ready to suffer, but discover the reality of Bohemian life and quickly retreat to more lucrative professions or to graduate school. Others remain, but housing troubles, wardrobes of hand-me-downs and years of counting pennies can send even the most committed artists into bouts of self-doubt.

"I knew it would take a lot of work, and it is taking every bit of energy that I thought it would," said Kenneth Fuchs, a composer who has weathered nearly a decade in New York working toward his big break. "It takes a lot of perseverance, a really kind of simple faith in your own work."

Regardless of the difficulties, the migration of the young to New York City shows few signs of slowing. Hayes B. Jacobs, director of the writing program at the New School, said writing workshops are in demand. Joseph W. Polisi, director of the Juilliard School of Music, said applicants are plentiful. "Establishing your career in the Western world means establishing your presence in New York," he said.

The young may agree, but many of them find life in New York increasingly difficult. Less than a decade ago, aspiring artists lived in deteriorated Manhattan neighborhoods, but are now likely to rent apartments in Inwood, in upper Manhattan, or in one of the other boroughs.

For those who remain in Manhattan, doubling up in one-bedroom apartments has been replaced by bunking two to a studio apartment, or four to a one-bedroom unit.

Fitzsimmons shares an apartment with a friend, cooks at home and, like many artists, is plugged into an odd-job network. He worked over the summer to save enough money to enable him to take an internship that pays him $70 a week. His style of living, he said, could eventually become tiresome, but for now he feels "lucky to have all these great opportunities."

Fuchs, who is completing his doctorate in music composition at Juilliard, knows what it is like to become weary of the artist's struggles. Until two years ago, he lived in a rent-controlled brownstone near Juilliard, where he paid $650 a month for an apartment he shared with a friend. The building was purchased, and after a two-year court battle, Fuchs was evicted.

High rents forced him to settle in Inwood, where he pays $850 a month for a smaller apartment and must make a long subway commute to Juilliard. "It was a New York horror story," he said. "Something changed after that. I still believe in my music, but I'm not sure that I want to put up with the hassle. The older I get, the more I learn that the quality of life is important."

Douglas Grabowski, another intern at Playwrights Horizons, lives with his parents in New Jersey and has postponed paying his student loans to be able to work at Playwrights for $70 a week.

"I wish I had more money," he said. "But I decided in my last year of school that I wanted to be happy my first year out of school rather than well off. It scares me because I think after this year is up, where will I go next, but with references from here, maybe I could read plays for a little money."

Some of those who have left New York have returned for another go-around.

Abbaye Smith, 29, a painter who graduated from the Tyler School of Art in Philadelphia, moved to New York City in the early 1980s, but she confused being an artist with being a part of the social scene and found little time to paint. "I always wanted to be a painter, but didn't know what it would take," she said. "I was so young I didn't realize I had to be so disciplined."

Smith is again pursuing her art here and shares a flat with a friend. She works on displays in retail shop windows, or designing textiles. The rest of the time she paints at a studio cooperative. The flat she shares is uncomfortable at best. Privacy is nonexistent, she said, and no matter how nice the roommate, living with another person's quirks is not fun.

Vicki Hickerson, who is appearing in the Christmas show at Radio City Music Hall, said she once had a roommate who bought a gun. Hickerson moved out. In another instance, she said, a roommate's best friend dropped in from out of town and stayed. Again, she moved out.

The smallest break for any artist, however, seems enough to erase the bad experiences. Several years ago, Fuchs wrote the playwright Lanford Wilson and proposed adapting one of Wilson's plays to music. It worked, and the play is to be produced at a workshop at the Circle Repertory Company.

"The musical gives me fuel for the next 10 years," Fuchs said, but he admits to having low points. "I have learned to appreciate every theater performance I go to and the good clothes that I have," he said, "but I am getting a little frustrated and bored with being a Bohemian. I'm not expecting to be rich in five years, but it would be nice if the pressure would let up a little."

PEOPLE

Two Cézanne Notebooks Are Donated to Museum

Two Paul Cézanne sketchbooks valued at $4.5 million have been donated to the Philadelphia Museum of Art by Walter Annenberg, the publisher and former U.S. ambassador to Britain. Cézanne apparently used the same sketchbooks throughout his career, drawing in whichever one came to hand. The museum staff said the 81-page collection of sketches began in the early 1870s and did not end until after 1900. Cézanne died in 1906.

□

Prince Charles urged city planners to repair what he called the damage of architects who have wrecked the London skyline and "desecrated the dome of St. Paul's. Do we still have to strive to be stunted imitation of Manhattan?" the 39-year-old heir to the British throne asked a gathering of planners as he attacked the proliferation of skyscrapers. "You have to give this much to the Luftwaffe: when it knocked down our buildings, it didn't replace them with anything more offensive than rubble. We did that," Charles said. British architects reacted politely, saying Prince Charles's criticism would provoke debate but was fuzzy, out-of-date and amateurish. **Francis Tibbalds**, the next chairman of the Royal Town Planning Institute, said: "It is a valid criticism of what happened in the 1950s and 1960s but I would not accept it as a criticism of what is happening now." **Norman Foster**, who designed the Hong Kong and Shanghai Bank headquarters in Hong Kong, said he agreed with the prince's architectural opinions just as he agreed with his holistic approach to medicine. But he added: "I do not think the Prince of Wales would go so far as to prescribe a cure of cancer for the body, yet he feels qualified to prescribe a cure for the cancer of our cities."

□

King Baudouin of Belgium named the French choreographer **Maurice Béjart**, 59, a Grand Officer of the Order of the Crown. The founder of the Ballet of the 20th *Century left Brussels this summer* after a stay of 27 years following a conflict with the director of the Brussels opera. Béjart said he wanted to seek new artistic challenges with a new dance group in Lausanne, Switzerland.

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